

**AGENDA FOR REGULAR MEETING**

**KERRVILLE CITY COUNCIL**

**TUESDAY, SEPTEMBER 27, 2016, 6:00 P.M.**

**KERRVILLE CITY HALL COUNCIL CHAMBERS**

**701 MAIN STREET, KERRVILLE, TEXAS**

**KERRVILLE CITY COUNCIL AGENDA**  
**REGULAR MEETING, TUESDAY, SEPTEMBER 27, 2016, 6:00 P.M.**  
**CITY HALL COUNCIL CHAMBERS**  
**701 MAIN STREET, KERRVILLE, TEXAS**

**CALL TO ORDER**

**INVOCATION OFFERED BY COUNCILMEMBER GARY STORK**

**PLEDGE OF ALLEGIANCE TO THE FLAG**, led by Roman Garcia.

**1. VISITORS/CITIZENS FORUM:**

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

**2. PRESENTATIONS:**

2A. Moment of silence in honor and recognition of the life of Mr. Howard Butt.

2B. Certificate of Recognition presented to the Kerrville Citizens Police Academy Alumni Association for being awarded the "Texas Alumni Membership of the Year Award."

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

3A. Acceptance of minutes of the special meeting held July 19 (Young People in Recovery), and the regular meeting held August 12, 2016. (staff)

3B. Resolution No. 23-2016 cancelling the regular meetings of the City Council scheduled for November 22, 2016 and December 27, 2016. (staff)

**END OF CONSENT AGENDA**

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

I do hereby certify that this notice of meeting was posted on the bulletin board at the City hall of the City of Kerrville, Texas, and said notice was posted on the following date and time: September 23, 2016 at 5:00 p.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

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**4. ORDINANCE, SECOND AND FINAL READING:**

4A. Ordinance No. 2016-15, adopting the annual budget for the City of Kerrville, Texas, Fiscal Year 2017; providing appropriations for each city department and fund; containing a cumulative clause; and containing a savings and severability clause. (staff)

4B. Ordinance No. 2016-16, 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 2017; 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. Ordinance No. 2016-17, amending Chapter 26 "Buildings and Building Regulations", Article VI "Energy Conservation Code", of the Code of Ordinances of the City of Kerrville, Texas, by adopting the 2015 edition of the International Energy Conservation Code; adopting local amendments to said code; providing for a penalty for violation of any provision hereof; containing a cumulative clause; containing a savings and severability clause; ordering publication; providing for an effective date; and providing other matters related to the subject. (staff)

**5. CONSIDERATION AND POSSIBLE ACTION:**

5A. Authorize the execution of a construction contract with MGC Contractors, Inc. for the reuse pond and pump station project in the amount of \$10,474,822.00 and authorize execution of additional change orders which will not exceed a total contract value of \$12,000,000.00. (staff)

5B. Authorize professional services agreement with Rock Engineering and Testing Laboratory, Inc. for geotechnical engineer/materials testing for reuse pond and pump station. (staff)

5C. Authorization to negotiate a professional services contract with Intermedix to perform EMS billing services for the city. (staff)

5D. Recognize notice of voluntary resignation of Todd Parton, City Manager. (staff)

5E. Consideration regarding the appointment of an Interim City Manager. (staff)

5F. Consideration of the process to be used for the recruitment and selection of a City Manager. (staff)

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Brenda Craig  
City Secretary, City of Kerrville, Texas

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**6. INFORMATION AND DISCUSSION:**

6A. Budget and economic update. (staff)

**7. APPOINTMENTS TO BOARDS AND COMMISSIONS:**

7A. Building Board of Adjustment and Appeals. (staff)

**8. ITEMS FOR FUTURE AGENDAS**

**9. ANNOUNCEMENTS OF COMMUNITY INTEREST:**

Announcement of items of community interest, including expressions of thanks, congratulations, or condolences; information regarding holiday schedules; honorary recognitions of city officials, employees, or other citizens; reminders about upcoming events sponsored by the city or other entity that is scheduled to be attended by city officials or employees; and announcements involving imminent threats to the public health and safety of the city. No action will be taken.

**10. EXECUTIVE SESSION:**

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, including the following:

10A. Sections 551.071 and 551.074:

Deliberate the appointment, employment, evaluation, and duties of an Interim City Manager.

**11. ACTION ON ITEM DISCUSSED IN EXECUTIVE SESSION**

**12. ADJOURNMENT.**

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Brenda Craig  
City Secretary, City of Kerrville, Texas

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## **Agenda Item:**

2B. Certificate of Recognition presented to the Kerrville Citizens Police Academy Alumni Association for being awarded the "Texas Alumni Membership of the Year Award."

# Certificate of Recognition

Is hereby presented to

## Kerrville Citizen's Police Academy Alumni Association

This Certificate of Recognition is being presented to the Kerrville Citizen's Police Academy Alumni Association (KCPAAA) for being awarded the "Texas Alumni Membership of the Year Award" at the 2016 Texas Citizen Police Academy and Law Enforcement Training Conference. This award is given to the alumni association judged to have the best membership program based on events, activities and direct support to the police departments they support and the number of hours volunteered. The KCPAAA currently has 97 members who volunteered more than 7,000 hours during the last fiscal year. The Kerrville Alumni Association has now earned all four awards offered by the conference – winning the "Ray Ramon Peace Officer of the Year Award", the "Texas Alumni Association of the Year Award", and the "Texas Alumni Member of the Year Award" in previous years. The City of Kerrville congratulates the KCPAAA for having an outstanding organization, and for their service commitment to the City of Kerrville.



Hereunto set my hand and caused  
the Seal of the City Kerrville to be  
affixed hereto the 27<sup>th</sup> day of  
September, 2016.

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Bonnie White, Mayor

## **Agenda Item:**

3A. Acceptance of minutes of the special meeting held July 19 (Young People in Recovery), and the regular meeting held August 12, 2016. (staff)

CITY COUNCIL MINUTES  
SPECIAL MEETING

KERRVILLE, TEXAS  
JULY 19, 2016

On July 19, the Kerrville City Council special meeting was called to order at 1:05 p.m. by Mayor Pro Tem Stephen Fine at the BCFS Resources Center, 1127 Main Street, Kerrville, Texas First Floor Training Room.

COUNCILMEMBERS PRESENT:

Stephen P. Fine	Mayor Pro Tem
Glenn Andrew	Councilmember
Gary F. Stork	Councilmember

COUNCILMEMBER ABSENT: None

Bonnie White	Mayor
Gene Allen	Councilmember

CITY CORE STAFF PRESENT:

Brenda Craig	City Secretary
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**Discuss Further Support for the Recovery Community in Kerrville:**

Jason Howell, Executive Director of RecoveryPeople.org and Soberhood.org;  
Kimber Falkinburg, National Program Manager, Young People in Recovery (YPR)  
Tony Farmer, Local YPR representative  
met with councilmembers to discuss the requirements of Ordinance 2013-06.

Mr. Howell noted that persons in recovery met the definition of disabled under the civil rights definition. He questioned whether the city's ordinance met the federal fair housing guidelines for housing for the disabled. He opined that the city's ordinance raised barriers for disabled persons, restricted fair housing choice, and placed additional requirements above what was required of other classes, for example, a family group should have the same health and safety issues as disabled persons in a group home. He opined that the ordinance was discriminatory and eventually would be repealed.

Ms. Faulkner noted that the ordinance required substantial licensing and inspection and exempted 15 groups, i.e. nursing homes, hotels, churches, retirement communities, universities, etc. thereby protecting some classes of people. She proposed the city provide the same regulations for all group homes equally by removing all exemptions. She also opined that the ordinance had caused several homes to close and hindered new homes from opening and asked that the city look at the unintended consequences. She questioned the legality of the ordinance and opined it was illegal under the Fair Housing Act and established discriminatory policies.

Mr. Farmer noted the ordinance had caused some group homes to move outside the city limits; this caused difficulty in getting people connected to the services and transportation they needed in order to maintain recovery. He requested a

coalition to work together to solve housing and other issues; YPR had been left out of previous conversations.

Councilmembers also discussed the following:

- Not the intent of the ordinance to set barriers, rather, to provide adequate services, particularly in emergency situations.
- Recovery homes were not comparable to businesses as businesses provided sales tax, used less city services, and provided jobs. (It was stated that the city should look at recovery homes like businesses.)
- The ordinance as written is legal.
- Will look at ordinances from other cities.

YPR representatives requested the council consider amendments to Ordinance No. 2013-06 regarding the following:

1. ½ mile distance requirement, proximity to another licensed group home.
2. Reasonable accommodations.
3. Adjust fees.
4. Delete exceptions to make all homes equal.

**ADJOURNMENT.** The meeting adjourned at 2:32 p.m.

APPROVED: \_\_\_\_\_  
ATTEST: \_\_\_\_\_

\_\_\_\_\_  
Stephen Fine, Mayor Pro Tem

\_\_\_\_\_  
Brenda Craig City Secretary

CITY COUNCIL MINUTES  
SPECIAL MEETING

KERRVILLE, TEXAS  
AUGUST 12, 2016

On August 12, 2016, the Kerrville City Council meeting was called to order at 5:00 p.m. by Mayor White in the city hall council chambers at 701 Main Street. Invocation was offered by Mayor White and the Pledge of Allegiance was led by Fire Chief Dannie Smith.

COUNCILMEMBERS PRESENT:

Bonnie White	Mayor
Stephen P. Fine	Mayor Pro Tem
Gary F. Stork	Councilmember
Gene Allen	Councilmember

COUNCILMEMBER ABSENT:

Glenn Andrew	Councilmember
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CITY CORE STAFF PRESENT:

Todd Parton	City Manager
Mike Hayes	City Attorney
E.A. Hoppe	Deputy City Manager
Brenda G. Craig	City Secretary
Sandra Yarbrough	Director of Finance
Kim Meismer	Director of General Operations
Dannie Smith	Fire Chief
Kaitlin Berry	Special Projects Manager
Curtis Thomason	Asst. Police Chief

**2. CONSIDERATION AND POSSIBLE ACTION:**

**2A. Discussion and direction to staff regarding the proposed Fiscal Year 2017 Budget.**

The following persons spoke:

1. George Barody spoke against the pond for the water reclamation project as proposed by staff stating the city could accomplish the same goal for \$13 million instead of \$18.5 million. He opined that the Freese & Nichols, Inc. (FNI) study said they would not do the project with a pond, and noted more water would be lost through evaporation. The city would need a second advanced treatment plant. He opined that the same project could be accomplished by constructing the lines from the plant to the customers and letting customers build their own storage tank. He opined that the city had capacity without building a storage facility; therefore the KPUB loan was invalid because it could only be used for the customers of the water reuse pond. Further, the city would not have to destroy the soccer fields so it did not need the new soccer fields at the new athletic complex and that land could remain private land; therefore the frontage road was no longer needed.

Mr. Parton presented the proposed budget, and discussed the following items with council:

- Balanced budget built on council direction; \$51 million total budget.
- Property tax rate to remain the same, \$.5625/\$100 resulting in increased revenue based on increased assessed valuation and property added to the tax roll.
- \$24,480 increase in transfer from utility fund to general fund for increased operational expenses, staff support, IT services, hardware, maintenance, etc. provided by the general fund to the utility fund.
- Increased revenue \$22,000 due to sustained activity at Kerrville Schreiner Park.
- Fines and forfeitures revenue up \$155,000 due to sustained ticket activity.
- Changes in some permit fees.
- Intergovernmental fees increased; county Fire/EMS increased as per contract.
- Added two school resource officers in police department; one code compliance officer, relocated one position from parks maintenance to municipal court.
- Fully staffed traffic division in the police department.
- Texas Municipal Retirement System re-rate analysis; for the city to be funded at 99%, a 0.8% increase across all funds was necessary.
- Included extensive repairs to Legion lift station.
- Garage fund, transfers from other funds to cover maintenance performed at the city garage.
- Transferred \$700-900 to asset replacement fund for future replacement of fire engine at Station 3.
- Utility debt service fund included payments on the KPUB loan of \$180,000.
- Included expenses associated with opening the athletic complex in the last quarter of the year.

Mr. Parton responded to the question about the need for a 105 mg pond to provide holding capacity for the reclamation project. The existing plant was an on demand system and during peak times all water was consumed. The pond would create a holding reserve to capture water that otherwise would go downstream and be lost to the city. The pond was also necessary to regulate the volume of water and provide systematic production of water. There is no way the city can guarantee delivery or sustain consistent level of production without reliable water storage; the plant had to have water flow at the time of demand. Direct Potable Reuse (DPR) will require an additional treatment plant in order to treat the water to additional standards before it can go into an ASR well. The DPR project should be underway by 2019 and online in 2020.

2. Robert Naman noted that when electric providers cannot meet demand, they had rolling brownouts; maybe the effluent irrigation system could be operated in the same manner, or maybe people have to ration water. He was opposed to spending money for a pond. The budget proposed the reuse fee be 38¢/1,000 gallons; the fee should be set at 65¢/1,000 to recover the distribution cost. If the city charged Schreiner University (SU) and Riverhill Golf Course (RGC) for their line, the city's debt would be less. In 2010 Kerrville's ad valorem tax was \$400 per person; Mr. Naman opined this amount was low compared to other cities; however, Kerrville's utility debt was high, \$2,800-3,000 per person, and the city continued to use water and sewer rates to fund the general fund. He opined that the city should tell people to pay higher ad valorem taxes, and the city should not sell more debt.

Mr. Naman also noted that last year the city met its 25% reserve balance; this year the city proposed to set aside additional funds, why was the city building an excess balance? The 2014 budget stated that the water and sewer needs were good for 10-15 years, but \$20-30 million was on the future capital projects list.

Mr. Parton noted in the 1980s and 1990s, the city was spending an average of only \$250,000 annually for drainage, streets, and water and sewer improvements combined. Since then, the city had been issuing debt to catch up on maintenance and expansion of the core infrastructure and meet capital needs. Now, the city was building a reserve fund to help stabilize rates and fund future maintenance and projects with available cash to lessen the need to issue more debt.

Mr. Parton continued with the budget presentation:

- The Economic Improvement Corporation's 2017 budget earmarked \$3 million for construction of wastewater lines to SU and RGC; he anticipated EIC approval at the September meeting. Mayor White questioned if the SU and RGC extensions would meet the definition of state law.
- \$500,000 budgeted for 529 Water Street; funding proposed to come from grants and fundraising.
- Reviewed several major capital projects: remodel of Fire Station 3, parking garage repairs, aquatics center, etc.
- Debt service would begin shrinking in 2021 and one-third of the city's debt would be paid off, adding capacity for additional debt.
- Community survey to identify how people see the community and ask for their concerns; need citizen input into the process of identifying capital projects.
- Mayor White noted disparity in the number and cost of personnel in the general fund and the utility fund. Mr. Parton noted that staff levels were based on programming and resources needed to provide the desired level of service; the staff level recommended will achieve the mission for next year.
- Some golf fees increased, but the city was comparable with area courses.
- Bids for the roof at the police building came in higher than expected, need \$500,000 for roof and mechanical work; discussed the need for a justice facility and updating the facilities master plan adopted in 2008.
- Comprehensive plan update, budgeted at \$150,000.
- Wastewater master plan, budgeted at \$200,000.

2B. Resolution No. 17-2016, setting forth the ad valorem (property) tax rate to be considered for adoption for the 2016 tax year; calling two public hearings prior to the adoption of said rate; and calling a public hearing prior to the adoption of the fiscal year 2017 budget as required by both the City's Charter and State Law. Mr. Parton noted the resolution would authorize staff to publish the notice calling two public hearings prior to council consideration of setting the maximum ad valorem tax rate at \$.5625, which was the current rate, and was 3.46% above the effective tax rate calculation. This was part of the statutory process for setting the tax rate and budget.

Council noted that even though the rate remained the same, the city's tax revenue would increase by \$384,114 due to increased property assessments and new property added to the tax roll.

Mr. Allen moved for approval of Resolution No. 17-2016; Mr. Fine seconded the motion and it passed 4-0.

2C. Authorization to purchase forty (40) WatchGuard 4RE/VISTA HD Body Camera Systems including evidence library software, licensing and warranty.

Mr. Thomason noted the police department was implementing a new body camera program, and he requested staff be given authority to move forward with the purchase of equipment as stated for \$50,785 to cover all 54 sworn patrol officers; a grant may not be available for future purchases to outfit all uniformed officers. Mr. Parton noted the city received the matching state grant that was approved by council on March 22. He noted there would be additional costs in future budgets for hardware and software, and additional personnel.

The following person spoke:

1. David Lipscomb asked about future cost. Mr. Parton noted equipment and additional personnel would have to be included in future budgets.

Mr. Allen moved to approve the purchase; Mr. Stork seconded the motion and it passed 4-0.

2D. Resolution No. 18-2016, supporting the adoption of the Rural Project Plan under consideration by the Texas Department of Transportation.

Mayor White reviewed proposed projects approved last year, including the county's recommended updates. Council discussed the following projects:

- Construct service roads to extend from the Harper Highway Interchange of I-10 to Loop 534.
- Construct a new overpass on I-10 between Harper Highway and SH16.
- Replace the partial clover with a diamond interchange on I-10 to include service road(s) to the new overpass.
- Widen the existing section of Harper Road to five lanes from Holdsworth Drive to I-10 in 2-5 years instead of 7-10 years.

The consensus of the council was to change the Harper Road, Holdsworth Drive to IH-10 project from 7-10 years to 2-5 years.

Mr. Allen moved for approval of Resolution No. 18-2016; Mr. Fine seconded the motion and it passed 4-0.

Mr. Parton noted the milling of the roadway under the I-10 bridge at Harper Road should start in November.

**3. APPOINTMENTS TO CITY BOARDS AND COMMISSIONS:**

3A. Appointments to the Mayor's Youth Advisory Council.  
Ms. Berry noted 8 more applications had been received.

Mr. Allen moved to appoint Connor Cook, Roman Garcia, Will Guerriero, Nicole Lorange, Mason Olmsted, Lydia Prislovsky and Ileana Scoccia as regular members; and to appoint Bailey Dulas as an alternate member to the Mayor's Youth Advisory Council. Mr. Fine seconded the motion and it passed 4-0.

**4. EXECUTIVE SESSION:**

Mr. Fine moved for the city council to go into executive closed session under Sections 551.071 and 551.072 of the Texas Government Code; motion was seconded by Mr. Stork and passed 4-0 to discuss the following:

Sections 551.071 and 551.072:

Discuss the purchase, exchange, lease, sale, or value of real property, the public discussion of which would not be in the best interests of the City's bargaining position with third parties, regarding property interests related to the following:

- River trail.

At 6:22 p.m. the regular meeting recessed. Council went into executive closed session at 6:26 p.m. At 6:38 p.m. the executive closed session recessed and council returned to open session at 6:39 p.m. Mayor White announced no action was taken in executive session.

**5. ACTION ON ITEM DISCUSSED IN EXECUTIVE SESSION:**

Mr. Fine moved to authorize the city manager to sign the letter of intent and move forward with the purchase of property at 237 Guadalupe Street; Mr. Stork seconded the motion.

The following person spoke:

1. Bill Morgan asked who owned the property.

Mr. Fine noted the property owner was Barbara Burton and the property was on the riverside.

The motion passed 3 to 1 with Councilmembers Fine, Stork, and Allen voting in favor of the motion and Mayor White voting against the motion.

**ADJOURNMENT.** The meeting adjourned at 6:40 p.m.

APPROVED: \_\_\_\_\_  
ATTEST: \_\_\_\_\_

\_\_\_\_\_  
Bonnie White, Mayor

\_\_\_\_\_  
Brenda G. Craig, City Secretary

## **Agenda Item:**

3B. Resolution No. 23-2016 cancelling the regular meetings of the City Council scheduled for November 22, 2016 and December 27, 2016. (staff)



**CITY OF KERRVILLE, TEXAS  
RESOLUTION NO. 23-2016**

**A RESOLUTION CANCELING THE REGULAR MEETINGS  
OF THE CITY COUNCIL SCHEDULED FOR NOVEMBER 22,  
2016 AND DECEMBER 27, 2016**

**WHEREAS**, Section 2-31 of the Code of Ordinances for the City of Kerrville provides that City Council meetings are to be held the second and fourth Tuesdays of each month; and

**WHEREAS**, Section 2-31 also provides the City Council may, by majority vote at a regular meeting, change the days or times of meetings as circumstances may necessitate;

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

The regular meetings of the City Council scheduled for November 22, (Tuesday before Thanksgiving Holiday) 2016, and December 27, (Tuesday after Christmas Holiday) 2016 are hereby canceled.

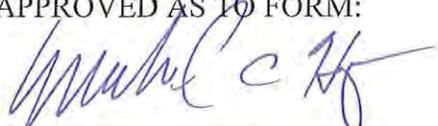
**PASSED AND APPROVED ON this the \_\_\_\_\_ day of \_\_\_\_\_ A.D., 2016.**

\_\_\_\_\_  
Bonnie White, Mayor

ATTEST:

\_\_\_\_\_  
Brenda G. Craig, City Secretary

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Michael C. Hayes, City Attorney

## **Agenda Item:**

4A. Ordinance No. 2016-15, adopting the annual budget for the City of Kerrville, Texas, Fiscal Year 2017; providing appropriations for each city 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 2016-15 to Adopt Budget for FY17

**FOR AGENDA OF:** September 27, 2016      **DATE SUBMITTED:** September 15, 2016

**SUBMITTED BY:** Sandra Yarbrough   
Director of Finance      **CLEARANCES:** Todd Parton  
City Manager

**EXHIBITS:** Ordinance 2016-15

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** 

<b>Expenditure Required:</b>	<b>Current Balance in Account:</b>	<b>Amount Budgeted:</b>	<b>Account Number:</b>
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**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE FINANCE DIRECTOR:**

**SUMMARY STATEMENT**

This is the second and final reading of ordinance 2016-15 to adopt budget for FY2017 and record vote. First reading and record vote was held at Council meeting on September 13, 2016.

The FY2017 proposed budget was presented to the City Council in a series of budget workshops and presentations beginning on February 11, 2016 and ending August 12, 2016. The FY2017 proposed budget totals \$51,563,085 in revenues and \$50,822,850 in expenditures.

The proposed FY2017 budget is on file in the city secretary's office, public library, as well as via the City's Website. Notice of Public Hearing on proposed budget was published in Kerrville Daily Times, Tuesday, August 16, 2016, in Hill Country Community Journal, Wednesday, August 17, 2016, and on city's website. Public hearing was conducted at City Council meeting, Tuesday, August 23, 2016 on proposed FY2017 budget.

**RECOMMENDED ACTION**

Staff recommends approval of the ordinance 2016-15 on second and final reading by record vote to adopt the proposed budget for FY2017. Should council approve the second reading of ordinance 2016-15 to adopt the proposed budget for record vote for FY2017 the following motions are also required.

1<sup>st</sup> motion **"Motion to approve Ordinance 2016-15 to adopt the City's budget for fiscal year 2017 on 2<sup>nd</sup> reading"**.

2<sup>nd</sup> motion **"Motion ratifying vote to adopt the budget that will require raising more revenue from property taxes than the previous fiscal year"**.

**CITY OF KERRVILLE, TEXAS  
ORDINANCE NO. 2016-15**

**AN ORDINANCE ADOPTING THE ANNUAL BUDGET  
FOR THE CITY OF KERRVILLE, TEXAS, FISCAL YEAR  
2017; PROVIDING APPROPRIATIONS FOR EACH CITY  
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 and Section 102.005 of the Texas Local Government Code, the City Manager of the City of Kerrville prepared and filed with the City Secretary on July 31, 2016, a proposed budget for the City of Kerrville, Texas, for the fiscal year beginning October 1, 2016, and ending September 30, 2017; and

**WHEREAS**, in accordance with Section 8.04 of the City Charter and Sections 102.006 and 102.065 of the Texas Local Government Code, 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 August 23, 2016, at the time and place set forth in the public notice, said date being more than fifteen 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 2017, with the amendments described and discussed, should be approved and adopted, in accordance with Section 8.06 of the City Charter and Section 102.007 of the Texas Local Government Code;

**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, 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 and Chapter 102 of the Texas Local Government Code.

**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 2017, in accordance with Section 8.05 of the City Charter and Chapter 102 of the Texas Local Government Code.

**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.

**THE MEMBERS OF CITY COUNCIL VOTED AS FOLLOWS IN ACCORDANCE WITH THE CITY CHARTER AND STATE LAW:**

**FIRST READING:**

- **1<sup>ST</sup> MOTION TO READ AS FOLLOWS:** *Motion to approve Ordinance 2016-15 to adopt the City's budget for fiscal year 2017 on 1<sup>st</sup> reading* [City Secretary to take record vote as follows]:

	YES	NO
Bonnie White, Mayor	<u>✓</u>	_____
Stephen P. Fine, Place 1	<u>✓</u>	_____
Glenn Andrew, Place 2	<u>✓</u>	_____
Gary Stork, Place 3	<u>✓</u>	_____
Gene Allen, Place 4	<u>✓</u>	_____

- **2<sup>ND</sup> MOTION TO READ AS FOLLOWS:** *Motion ratifying vote to adopt the budget that will require raising more revenue from property taxes than the previous fiscal year.*

PASSED AND APPROVED ON FIRST READING, this the 13<sup>th</sup> day of Sept, A.D., 2016.

**SECOND READING:**

- **1<sup>ST</sup> MOTION TO READ AS FOLLOWS:** *Motion to approve Ordinance 2016-15 to adopt the City's budget for fiscal year 2017 on 2<sup>nd</sup> reading [City Secretary to take record vote as follows]:*

	YES	NO
Bonnie White, Mayor	_____	_____
Stephen P. Fine, Place 1	_____	_____
Glenn Andrew, Place 2	_____	_____
Gary Stork, Place 3	_____	_____
Gene Allen, Place 4	_____	_____

- **2<sup>ND</sup> MOTION TO READ AS FOLLOWS:** *Motion ratifying vote to adopt the budget that will require raising more revenue from property taxes than the previous fiscal year:*

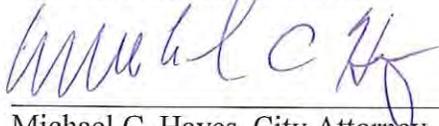
PASSED AND APPROVED ON SECOND AND FINAL READING, this the \_\_\_\_\_ day of \_\_\_\_\_, A.D., 2016.

\_\_\_\_\_  
Bonnie White, Mayor

ATTEST:

\_\_\_\_\_  
Brenda G. Craig, City Secretary

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Michael C. Hayes, City Attorney

## **Agenda Item:**

4B. Ordinance No. 2016-16, 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 2017; 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**

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**SUBJECT:** Second and final Reading of Ordinance 2016-16 - Ad Valorem Tax Rate for 2016 tax year

**FOR AGENDA OF:** September 27, 2016 **DATE SUBMITTED:** September 15, 2016

**SUBMITTED BY:** Sandra Yarbrough *SY* **CLEARANCES:** Todd Parton  
Director of Finance City Manager

**EXHIBITS:** Ordinance 2016-16

**AGENDA MAILED TO:**

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

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<b>Expenditure Required:</b>	<b>Current Balance in Account:</b>	<b>Amount Budgeted:</b>	<b>Account Number:</b>
\$	\$	\$	

**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE DIRECTOR OR FINANCE:**

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**SUMMARY STATEMENT**

This is the second and final reading of ordinance 2016-16 to adopt ad valorem tax rate for 2016 tax year by record vote. The first reading of ordinance and record vote was held at Council meeting on September 13, 2016.

At the August 12, 2016 Council meeting, council voted to hold a public hearing to establish the proposed ad valorem tax rate for 2016 at \$0.5625/\$100 value, which is the same rate as tax year 2015. This rate exceeds the effective rate as calculated by the Tax Assessor-Collector of \$0.5437 by 3.46%. The City was required to hold two public hearings since the proposed tax rate exceeds the effective tax rate. The public hearings were held August 23, 2016 and September 13, 2016.

The tax rate has two components. The maintenance and operations (M&O) rate for the general operations of the City is proposed at \$0.4890 and the interest and sinking (I&S) rate for the General Fund's debt service is proposed at \$0.0735. This proposed tax rate is the same tax rate as last year. The attached ordinance will adopt the 2016 tax rate on the second and final reading.

**RECOMMENDED ACTION**

Staff recommends approval of ordinance 2016-16 on second and final reading to adopt the tax rate of \$.05625 for the 2016 tax year by record vote.

Should council approve the proposed tax rate the following motion is required **"I move that the property tax rate be increased by the adoption of a tax rate of \$0.5625, which is effectively a 3.46% increase in the tax rate"**.

**CITY OF KERRVILLE, TEXAS  
ORDINANCE NO. 2016-16**

**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 2017; 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 2017; 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 2017; and

**WHEREAS**, after due deliberation, study, and consideration of the proposed tax rate for the fiscal year 2017, the City Council has determined that adoption of the rate is in the best interest of the taxpayers of the City and it should be adopted in accordance with law;

**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 2017, 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 2017 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. **THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 3.46% PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$0.00.**
- (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 2017 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 are due on October 1, 2016, and may be paid up to and including January 31, 2017, without penalty, but if not paid, such taxes are delinquent on February 1, 2017, provided, however, in accordance with Section 31.03(a) of the Texas Tax Code, 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, 2016, and the remaining one-half is paid before July 1, 2017.

**SECTION THREE.** No discounts are authorized on property tax payments made prior to January 31, 2017.

**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.

**THE MEMBERS OF CITY COUNCIL VOTED AS FOLLOWS IN ACCORDANCE WITH THE CITY CHARTER AND STATE LAW:**

**FIRST READING:**

**MOTION TO READ AS FOLLOWS:** *Motion that Ordinance 2016-16 be adopted and that the property tax rate be increased by the adoption of a tax rate of .5625, which is effectively a 3.46% percent increase in the tax rate.* [City Secretary to take record vote as follows]:

	YES	NO
Bonnie White, Mayor	<u>✓</u>	_____
Stephen P. Fine, Place 1	<u>✓</u>	_____
Glenn Andrew, Place 2	<u>✓</u>	_____
Gary Stork, Place 3	<u>✓</u>	_____
Gene Allen, Place 4	<u>✓</u>	_____

PASSED AND APPROVED ON FIRST READING, this the 13<sup>th</sup> day of Sept., A.D., 2016.

**THE MEMBERS OF CITY COUNCIL VOTED AS FOLLOWS IN ACCORDANCE WITH THE CITY CHARTER AND STATE LAW:**

**SECOND READING:**

**MOTION TO READ AS FOLLOWS:** *Motion that Ordinance 2016-16 be adopted and that the property tax rate be increased by the adoption of a tax rate of .5625, which is effectively a 3.46% percent increase in the tax rate. [City Secretary to take record vote as follows]:*

	YES	NO
Bonnie White, Mayor	_____	_____
Stephen P. Fine, Place 1	_____	_____
Glenn Andrew, Place 2	_____	_____
Gary Stork, Place 3	_____	_____
Gene Allen, Place 4	_____	_____

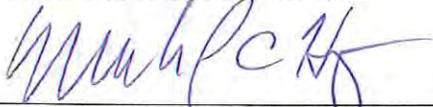
**PASSED AND APPROVED ON SECOND AND FINAL READING, this the \_\_\_\_\_ day of Sept., A.D., 2016.**

\_\_\_\_\_  
Bonnie White, Mayor

ATTEST:

\_\_\_\_\_  
Brenda G. Craig, City Secretary

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Michael C. Hayes, City Attorney

## **Agenda Item:**

4C. Ordinance No. 2016-17, amending Chapter 26 "Buildings and Building Regulations", Article VI "Energy Conservation Code", of the Code of Ordinances of the City of Kerrville, Texas, by adopting the 2015 edition of the International Energy Conservation Code; adopting local amendments to said code; providing for a penalty for violation of any provision hereof; containing a cumulative clause; containing a savings and severability clause; ordering publication; providing for an effective date; and providing other matters related to the subject. (staff)

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

**SUBJECT: Adoption of the 2015 International Energy Conservation Code**

**FOR AGENDA OF:** September 27, 2016

**DATE SUBMITTED:** September 19, 2016

**SUBMITTED BY:** Danny Batts  
Director of Building Services

**CLEARANCES:** E.A. Hoppe  
Deputy City Manager

**EXHIBITS:** Amendments to the 2015 International Energy Conservation Code.

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:**



<b>Expenditure Required:</b>	<b>Current Balance in Account:</b>	<b>Amount Budgeted:</b>	<b>Account Number:</b>
\$ 0	\$ 0	\$ 0	

**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE FINANCE DEPARTMENT:**

**SUMMARY STATEMENT**

On June 16, 2015, Governor Abbott signed House Bill 1736 into law, adopting a new statewide energy code for all of Texas. The law moves Texas's energy code requirements for single family construction to the 2015 International Energy Conservation Code (IECC). All local jurisdictions have been mandated to comply with the new code by September 1, 2016. Texas law, in conjunction with state administrative action, also requires the 2015 IECC as the energy code for all other residential, commercial, and industrial construction. Municipalities are required to establish procedures for administration and enforcement of these codes but may also adopt local amendments.

The proposed change to City Code Chapter 26-201, adopts an updated Energy Code consistent with the state's requirements. The International Energy Conservation Code (IECC) provides reduced energy use in both residential and commercial buildings. The locally proposed amendments are similar to the amendments adopted by other municipalities in our area, and are consistent with what the building community has become familiar with for our region.

Highlights of the draft ordinance are as follows:

Commercial Amendments – energy efficiency inspections (third party), roof solar reflectance and thermal emittance, minimum skylight fenestration area, circulation systems, electrical energy consumption, historic buildings, and roof replacement.

Residential – Installation, radiant barrier, insulation, circulation systems, energy rating index table 406.4, duct testing, energy efficiency inspections, testing, and historic buildings

**RECOMMENDED ACTION**

Adopt the state-mandated 2015 International Energy Conservation Code with locally recommended amendments.

**CITY OF KERRVILLE, TEXAS  
ORDINANCE NO. 2016-17**

**AN ORDINANCE AMENDING CHAPTER 26 “BUILDINGS AND BUILDING REGULATIONS”, ARTICLE VI “ENERGY CONSERVATION CODE”, OF THE CODE OF ORDINANCES OF THE CITY OF KERRVILLE, TEXAS, BY ADOPTING THE 2015 EDITION OF THE INTERNATIONAL ENERGY CONSERVATION CODE; ADOPTING LOCAL AMENDMENTS TO SAID CODE; PROVIDING FOR A PENALTY FOR VIOLATION OF ANY PROVISION HEREOF; CONTAINING A CUMULATIVE CLAUSE; CONTAINING A SAVINGS AND SEVERABILITY CLAUSE; ORDERING PUBLICATION; PROVIDING FOR AN EFFECTIVE DATE; AND PROVIDING OTHER MATTERS RELATED TO THE SUBJECT**

**WHEREAS**, the City of Kerrville, Texas, is a home rule city acting under its charter adopted by the electorate pursuant to Article XI Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

**WHEREAS**, cities may, under their police powers, enact reasonable regulations to promote the health, safety, and general welfare of citizens; and

**WHEREAS**, it is the intent of the City Council to protect the public health, safety, and welfare; and

**WHEREAS**, during its 2015 legislative session, the Texas Legislature adopted House Bill 1736 to address energy efficiency standards in Texas, which the governor then signed into law; and

**WHEREAS**, House Bill 1736 adopted a new energy code in Texas, which in general, moved Texas’s energy code requirements for single family construction to the 2015 International Energy Conservation Code (“IECC”); and

**WHEREAS**, all local jurisdictions must comply with the new code by September 1, 2016, and this Texas law, in conjunction with state administrative action through the Texas State Energy Conservation Office (“SECO”), also requires the IECC as the energy code for all other residential, commercial, and industrial construction; and

**WHEREAS**, under the law, cities are required to establish procedures for the administration and enforcement of these codes and may adopt local amendments that do not result in less stringent energy efficiency requirements than those required by the IECC; and

**WHEREAS**, the City Council, has previously adopted previous editions of the IECC, including the 2006 IECC; and

**WHEREAS**, City staff has reviewed the IECC and recommends the local amendments specified below; and

**WHEREAS**, the City Council finds it to be in the public interest to adopt the 2015 International Energy Conservation Code and recommended local amendments;

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

**SECTION ONE.** Chapter 26 “Building and Building Regulations”, Article VI “Energy Conservation Code”, of the Code of Ordinances of the City of Kerrville, Texas, is amended and replaced in its entirety as follows:

**“ARTICLE VI. ENERGY CONSERVATION CODE**

**Sec. 26-201. 2015 International Energy Conservation Code.**

(a) Adoption. The International Energy Conservation Code, 2015 Edition (“IECC”), with local amendments as set out in Section 26-201(b), is adopted by the City. Copies of the IECC and amendments shall be available in the Department of Development Services and the City Secretary’s Office.

(b) Amendments. The IECC is amended as follows:

- (1) Subsection C104.2 is amended by adding the language that is underlined (added) and deleting the language that is bracketed and stricken ([deleted]) as follows, and thereafter renumbering the subsections to account for these additions:

‘**C104.2 Required inspections.** The *code official* or his or her designated agent, upon notification, shall make the inspections set forth in Sections C104.2.1 through C104.2.~~6~~8.

⋮

**C104.2.6 Duct test for one- and two-family dwellings and townhomes.** All ducts for one- and two-family dwellings as well as townhomes, in unconditioned spaces, shall be duct tested prior to covering or concealment to disclose leaks and defects. Tests shall be made by an independent certified RESNET energy rater or an alternative approved by the *code official* using objective, verifiable testing criteria and results provided to the *code official*. Apparatus, material, and labor required for testing a mechanical system shall be furnished by the independent certified RESNET energy rater or *code official* approved alternate. Where any work or installation does not

pass an initial test or inspection, the necessary corrections shall be made to achieve compliance with this chapter. The work or installation shall then be re-submitted to the code official for inspection and testing. See also section 403.3.3 of the IECC.

**C104.2.7 Energy efficiency inspections.** Inspections shall be made to determine compliance with 4(CE) of the IECC for all occupancies, as amended, and shall include, but not be limited to, inspections for: envelope insulation R- and U-values, fenestration U-value, duct system R-value, and HVAC and water-heating equipment efficiency. For detached one and two-family dwellings and multiple single-family dwellings (townhomes) as well as Group R-2, R-3 and R-4 buildings three stories or less in height above grade plane, an independent certified RESNET energy rater or an alternative approved by the code official using objective, verifiable testing criteria, shall test and inspect the air barrier as per section R402.4 Air leakage, of the IECC. The results must be submitted on a form approved by the code official. The form shall show that construction is in compliance with the IECC.'

- (2) Subsection C402.3 is amended by revising its first paragraph and adding the language that is underlined (added), with the exceptions to remain unchanged, as follows:

**'C402.3 Roof solar reflectance and thermal emittance.** Low-sloped roofs, with a slope less than or equal to 2 units vertical per 12 units horizontal, directly above cooled conditioned spaces in Climate Zones 1, 2, and 3 shall comply with one or more of the options in Table C402.3. Roof surfaces with a slope greater than 2 units vertical per 12 units horizontal, directly above cooled conditioned spaces shall have a minimum reflectance of 0.35 or a minimum Solar Reflective Index of 29.

;

- (3) Subsection C402.4.2 is amended by adding a sixth exception as follows:

'6. In warehouses protected by Early Suppression Fast Response (ESFR) fire sprinklers where vertical wall fenestration is provided with a minimum area.'

- (4) Subsection C404.6.1. is amended by adding the language that is underlined (added) and deleting the language that is bracketed and stricken (~~([deleted])~~) as follows:

**‘C404.6.1 Circulation systems.** Heated water circulation systems shall be provided with a circulation pump. The system return pipe shall be a dedicated return pipe or a cold water supply pipe. Gravity and thermo-siphon circulation systems shall be prohibited. Controls for circulating hot water system pumps shall comply with one of the following:

1. start the pump based on the identification of a demand for hot water within the occupancy. The controls shall automatically turn off the pump when the water in the circulation loop is at the desired temperature and when there is no demand for hot water[-];  
or
2. include a timer clock switch operating pumps based on time of day/night. Controls shall also include a return water temperature sensor switch to pause the re-circulating pump whenever the return water is hot.’

- (5) Subsection C405.6 is amended by adding the language that is underlined (added) as follows:

**‘C405.6 Electrical energy consumption (Mandatory).** Each dwelling unit located in a Group R-2 multi-family building shall have a separate electrical meter.’

- (6) Subsection C501.6 is amended by deleting the language that is bracketed and stricken (~~([deleted])~~) as follows:

**‘C501.6 Historic buildings.** No provisions of this code relating to the construction, *repair*, *alteration*, restoration and movement of structures, and *change of occupancy* shall be mandatory for *historic buildings* ~~[provided a report has been submitted to the code official and signed by a registered design professional or a representative of the State Historic Preservation Office or the historic preservation authority having jurisdiction, demonstrating that compliance with that provision would threaten, degrade or destroy the historic form, fabric or function of the building].’~~

- (7) Subsection C503.3.1 is amended by adding the language that is underlined (added) as follows:

**C503.3.1 Roof replacement.** *Roof replacements* shall comply with Table C402.1.3 or C402.1.4 where the existing roof assembly is part of the *building thermal envelope* and contains insulation entirely above the roof deck. New skylights are not required to be provided as part of a roof replacement where the existing building did not have skylights. Where new skylights are installed at the option of the owner as part of the roof replacement, they shall meet Section C503.3.3.

- (8) Subsection R104.2 is amended by adding the language that is underlined (added) and deleting the language that is bracketed and stricken (~~[deleted]~~) as follows, and thereafter renumbering the subsections to account for these additions:

**R104.2 Required inspections.** The code official or his or her designated agent, upon notification, shall make the inspections set forth in Sections R104.2.1 through C104.2.~~[5]~~7.

**R104.2.5 Duct test for one- and two-family dwellings and townhomes.** All ducts for one- and two-family dwellings as well as townhomes, in unconditioned spaces, shall be duct tested prior to covering or concealment to disclose leaks and defects. Tests shall be made by an independent certified RESNET energy rater or an alternative approved by the *code official* using objective, verifiable testing criteria and results provided to the *code official*. Apparatus, material, and labor required for testing a mechanical system shall be furnished by the independent certified RESNET energy rater or *code official* approved alternate. Where any work or installation does not pass an initial test or inspection, the necessary corrections shall be made to achieve compliance with this chapter. The work or installation shall then be re-submitted to the *code official* for inspection and testing. See also section 403.3.3 of the IECC.

**R104.2.6 Energy efficiency inspections.** Inspections shall be made to determine compliance with 4(CE) of the IECC for all occupancies, as amended, and shall include, but not be limited to, inspections for: envelope insulation R- and U-values, fenestration U-value, duct system R-value, and HVAC and water-heating equipment efficiency. For detached one and two-family dwellings and multiple single-family dwellings (townhomes) as well as Group

R-2, R-3 and R-4 buildings three stories or less in height above grade plane, an independent certified RESNET energy rater or an alternative approved by the code official using objective, verifiable testing criteria, shall test and inspect the air barrier as per section R402.4 Air leakage, of the 2015 IECC. The results must be submitted on a form approved by the code official. The form shall show that construction is in compliance with the 2015 IECC.'

- (9) Subsection R402.4.1.1 is amended by adding the language that is underlined (added) and deleting the language that is bracketed and stricken (~~deleted~~) as follows:

**'R402.4.1.1 Installation.** The components of the *building thermal envelope* as listed in Table R402.4.1.1 shall be installed in accordance with the manufacturer's instructions and the criteria listed in Table R402.4.1.1, as applicable to the method of construction. ~~[Where required by the code official, an]~~ An approved third party shall inspect all components and verify compliance. Insulation letters shall not be submitted to the code official prior to the inspection being performed and shall be submitted on a form approved by the code official.'

- (10) Section R402 is amended by adding a new Subsection R402.6 to read as follows:

**'R402.6 Radiant Barrier.** In new dwellings, a roof radiant barrier with an emittance of 0.10 or less as tested in accordance with ASTM C-1371 or ASTM E-408 is required above conditioned spaces. The radiant barrier shall be installed according to the manufacturer's instructions.

**Exceptions:**

1. Roofs covered with materials that have a solar reflectance of 0.4 or greater.
2. Residential buildings with sealed attics such as foam type insulation or similar.
3. Residential buildings with all mechanical equipment and all ductwork located wholly within the conditioned space.'

- (11) Subsection R403.3.1 is amended by adding a new exception, as indicated by the language that is underlined (added) as follows:

**‘Exceptions:**

1. Ducts or portions thereof located completely inside the *building thermal envelope*.

2. Supply and return ducts in attics shall be insulated to a minimum of R-6 where 3 inches (76 mm) in diameter and greater, where the seasonal energy efficiency ratio (SEER) of the installed cooling equipment is higher than the minimum required by federal law for climate zone 3.’

- (12) Subsection R403.5.1.1 is amended by adding the language that is underlined (added) and deleting the language that is bracketed and stricken (~~[deleted]~~) as follows:

**‘R403.5.1.1 Circulation systems.** Heated water circulation systems shall be provided with a circulation pump. The system return pipe shall be a dedicated return pipe or a cold water supply pipe. Gravity and thermo-syphon circulation systems shall be prohibited. Controls for circulating hot water system pumps shall comply with one of the following:

1. start the pump based on the identification of a demand for hot water within the occupancy. The controls shall automatically turn off the pump when the water in the circulation loop is at the desired temperature and when there is no demand for hot water~~[.];~~  
or

2. include a timer clock switch operating pumps based on time of day/night. Controls shall also include a return water temperature sensor switch to pause the re-circulating pump whenever the return water is hot.’

- (13) Table R406.4 is amended by deleting energy rating index “51” from “Climate Zone” 3.

- (14) Subsection R402.4.1.2 is amended by amending its first paragraph and adding the language that is underlined (added) and deleting the language that is bracketed and stricken (~~[deleted]~~) as follows:

**‘R402.4.1.2 Testing.** The building or dwelling unit shall be tested and verified as having an air leakage rate not exceeding five air changes per

hour in Climate Zone 1 and 2 and five ~~[three]~~ air changes per hour in Climate Zone 3 through 8. Testing shall be conducted in accordance with ASTM E 779 or ASTM E 1827 and reported at a pressure of 0.2 inch w.g. (50 Pascals). ~~[Where required by the code official,]~~ ~~[t]~~ Testing shall be conducted by an *approved* third party. A written report of the results of the test shall be signed by the third party conducting the test and provided to the *code official*. Testing shall be performed at any time after creation of all penetrations of the *building thermal envelope*.

- ⋮
- (15) Subsection R501.6 is amended by deleting the language that is bracketed and stricken (~~[deleted]~~) as follows:

**‘R501.6 Historic buildings.** No provisions of this code relating to the construction, *repair*, *alteration*, restoration and movement of structures, and *change of occupancy* shall be mandatory for *historic buildings* ~~[provided a report has been submitted to the code official and signed by a registered design professional or a representative of the State Historic Preservation Office or the historic preservation authority having jurisdiction, demonstrating that compliance with that provision would threaten, degrade or destroy the historic form, fabric or function of the building].’”~~

**SECTION TWO.** Future amendments, not including clarifications or technical notices of any type, of the IECC must be subsequently approved and adopted by the City Council.

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

**SECTION FOUR.** The penalty for violation of this Ordinance shall be in accordance with the penalty provision contained in Section 1-7 of the Code of Ordinances of the City of Kerrville, Texas, which provides for a fine not exceeding TWO THOUSAND DOLLARS (\$2,000.00). Each continuing day’s violation under this Ordinance shall constitute a separate offense.

**SECTION FIVE.** The provisions of this Ordinance are to be cumulative of all other Ordinances or parts of Ordinances governing or regulating the same subject matter as that covered herein; 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. Ordinance Nos. 2003-34 and 2008-14 are repealed.

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

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

**SECTION EIGHT.** This Ordinance shall become effective immediately upon the expiration of ten days following publication, as provided for by Section 3.07.b. of the City Charter; provided, however, the provisions of this Ordinance shall be applicable only to work performed in accordance with a building permit issued pursuant to an application filed with the City on or after the effective date of this Ordinance.

**PASSED AND APPROVED ON FIRST READING, this the 13<sup>th</sup> day of Sept.,**  
A.D., 2016.

**PASSED AND APPROVED ON SECOND AND FINAL READING, this the \_\_\_\_**  
day of \_\_\_\_\_, A.D., 2016.

\_\_\_\_\_  
Bonnie White, Mayor

ATTEST:

\_\_\_\_\_  
Brenda G. Craig, City Secretary

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Michael C. Hayes, City Attorney

## **Agenda Item:**

5A. Authorize the execution of a construction contract with MGC Contractors, Inc. for the reuse pond and pump station project in the amount of \$10,474,822.00 and authorize execution of additional change orders which will not exceed a total contract value of \$12,000,000.00. (staff)

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

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**SUBJECT:** Council authorization for the City Manager to execute a construction contract with MGC Contractors, Inc. for the Reuse Pond and Pump Station Project in the amount of \$10,474,822.00 and authorize the City Manager to execute additional change orders which will not exceed a total contract value of \$12,000,000.00.

**FOR AGENDA OF:** September 27, 2016      **DATE SUBMITTED:** September 21, 2016

**SUBMITTED BY:** Kyle Burow, P.E., CFM  
Director of Engineering

**CLEARANCES:** EA Hoppe  
Deputy City Manager



**EXHIBITS:** Bid Tabulation

**PAYMENT TO BE MADE TO:** MGC Contractors, Inc.  
223 Lucinda Drive  
New Braunfels, TX 78130



**APPROVED FOR SUBMITTAL BY CITY MANAGER:**

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<b>Expenditure Required:</b>	<b>Current Balance in Account:</b>	<b>Amount Budgeted:</b>	<b>Account Number:</b>
<b>\$12,000,000.00</b>	<b>\$20,179,794.91</b>	<b>\$21,500,000.00</b>	<b>U08</b>

**REVIEWED BY THE FINANCE DIRECTOR:**

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In October 2014, the City hired Freese and Nichols, Inc. to design and oversee the construction of a 105 million gallon earthen effluent pond with soil cement lining, 24-inch effluent gravity main from the existing treatment facility to the pond, distribution piping, and the reuse pump station and associated electrical appurtenances. This project was identified in conjunction with preparation of the 2013 Water & Wastewater Master Plan as a potential capital improvement project for the purpose of impounding treated, unused effluent from the wastewater treatment plant. It is conservatively estimated that approximately 360 million gallons of treated effluent is lost each year. This lost resource could be used to supplement the city's raw water supply as well as a source for irrigation and construction purposes which would relieve the city's potable water supply in the distribution system.

On September 20, 2016, three bids were opened and read aloud with Austin Engineering being the apparent low bid. After review of the bids, Austin Engineering was determined to be an incomplete bid. Austin Engineering submitted the two required

contract submittals for bid with one bid application being incomplete comprising a base bid of \$6,870,387.00 and the other bid application completed with a base bid of \$14,323,332.00.

Staff along with FNI evaluated the next lowest bid being MGC Contractors, Inc. and recommends awarding the Reuse Pond and Pump Station Project base bid in the amount of \$10,474,822.00.

### **RECOMMENDED ACTION**

Authorize the City Manager to execute a construction contract with MGC Contractors, Inc. for the Reuse Pond and Pump Station Project in the amount of \$10,474,822.00 and authorize the City Manager to execute additional change orders which will not exceed a total contract value of \$12,000,000.00.



## **Agenda Item:**

5B. Authorize professional services agreement with Rock Engineering and Testing Laboratory, Inc. for geotechnical engineer/materials testing for reuse pond and pump station. (staff)

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

---

**SUBJECT:** Council authorization for the City Manager to execute a construction contract with Rock Engineering & Testing Laboratory, Inc. for the Reuse Pond and Pump Station Project in the amount of \$148,000.00.

**FOR AGENDA OF:** September 27, 2016      **DATE SUBMITTED:** September 19, 2016

**SUBMITTED BY:** Kyle Burow, P.E., CFM      **CLEARANCES:** EA Hoppe  
Director of Engineering      Deputy City Manager

**EXHIBITS:** Contract Agreement

**PAYMENT TO BE MADE TO:** Rock Engineering & Testing Laboratory, Inc.  
10856 Vandale Street  
San Antonio, TX 78216

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** 

---

<b>Expenditure</b>	<b>Current Balance</b>	<b>Amount</b>	<b>Account</b>
<b>Required:</b>	<b>in Account:</b>	<b>Budgeted:</b>	<b>Number:</b>
<b>\$148,000.00</b>	<b>\$20,179,794.91</b>	<b>\$148,000.00</b>	<b>U08</b>

**REVIEWED BY THE FINANCE DIRECTOR:**

---

The City contacted Rock Engineering & Testing Laboratory, Inc. (Consultant) to prepare a scope and proposal to serve as the Geotechnical Engineer and provide material testing services for the Reuse Pond and Pump Station Project. The services provided by Rock Engineering & Testing Laboratory, Inc. include field and laboratory tests and inspections. The Consultant has served as the material's testing lab on several projects for the City and continues to provide a conservation of project funds.

**RECOMMENDED ACTION**

Authorize the City Manager to execute a construction contract with Rock Engineering & Testing Laboratory, Inc. for the Reuse Pond and Pump Station Project in the amount of \$148,000.00.



- GEOTECHNICAL ENGINEERING
- CONSTRUCTION MATERIALS ENGINEERING & TESTING
- SOILS • ASPHALT • CONCRETE

September 19, 2016

City of Kerrville  
701 Main Street  
Kerrville, Texas 78028

Attention: Kyle Burow, P.E., CFM

**SUBJECT: PROPOSAL TO PERFORM CONSTRUCTION MATERIALS TESTING AND SPECIAL INSPECTIONS FOR THE PROPOSED KERRVILLE REUSE POND & PUMP STATION SPUR 100 KERRVILLE, TEXAS**  
**RETL Proposal Number: P083116A (Revision No. 1)**

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Dear Mr. Burow,

### Introduction

Rock Engineering and Testing Laboratory, Inc. (RETL) is pleased to provide this proposal to perform the Construction Materials Testing and Special Inspections for the proposed Kerrville Reuse Pond & Pump Station to be constructed in Kerrville, Texas. This proposal contains our unit rates and an estimated testing and special inspection budget. It is understood that RETL has been selected by the City of Kerrville to perform these services based on our qualifications and experience in the Kerrville area.

### Unit Rates

The type of field and laboratory tests and inspections that may be required on this project and the associated unit fees are as follows:

- Atterberg Limits - \$75.00 each
- Proctors - \$225.00 each
- Sieve Analysis - \$75.00 each
- Minus #200 Sieve - \$45.00 each
- Soil Compaction Test - \$40.00 each
- Set of 5 Concrete Test Cylinders - \$225.00 per set
- Set of 4 Grout Prisms - \$200.00 per set
- Soil Cement Compressive Strength - \$75.00 each
- Engineering Technician - \$50.00 per hour (observations, weekend and standby time)
- Professional Engineer (PE) - \$150.00 per hour (concrete, masonry, & soil special inspections)
- Certified Weld Inspector (CWI) - \$85.00 per hour (weld and bolt special inspections)
- Transportation Charge - \$150.00 each

**ROCK ENGINEERING & TESTING LABORATORY, INC.**  
10856 Vandale St. • San Antonio, Texas 78216  
OFFICE: (210) 495-8000 • FAX: (210) 495-8015 • [www.rocktesting.com](http://www.rocktesting.com)

A minimum of 3 compaction tests will be billed each time this service is requested and the compaction test fee includes the technician time, equipment, and reporting. The fee for a set of concrete test cylinders and grout prisms includes the technician time up to 1-hour onsite, sampling equipment, casting, curing, testing specimens, and reporting the test results. Standard work hours are from 8:00 a.m. to 4:00 p.m., Monday through Friday. Weekend or work outside of standard work hours will be considered overtime and the Contractor will be responsible for reimbursing the City for overtime wages. Inspector overtime wages are \$50/hour. Weekend work will have a minimum 4-hour charge per day with a trip charge of \$150/day. Professional Engineer (PE) and Certified Weld Inspector (CWI) for requested special inspections will be billed at a 2 and 4-hour minimum rate, respectively. The transportation charge includes the technician travel time and all vehicle charges.

In the event the project moves at a pace where a technician is required to remain on-site full-time for soil compaction testing, a day rate of **\$850.00 per day** will be applicable. The day rate will include technician time up to 8 hours on-site, unlimited soil compaction tests, technician travel time with all vehicle charges and report preparation. The above listed regular unit rate costs will apply if the soil technician is on-site for less than 4-hours per day. Overtime hours as defined above will also be applicable for the day rate billing method.

### **Estimated Budget**

Based on the project information provided to RETL, the project will include the construction of a new lined reuse pond and pump station. The new pond berms will require approximately 7 to 25-feet of embankment material and will require HDPE liners and 9-inches of soil cement. A gravel base roadway will be constructed along the top of berm. The pump station will include installation of five pumps, an electrical and chemical building and reuse distribution waterlines. Approximately 2,800 LF effluent line will be installed. RETL estimates the following quantities of testing for the project:

- Atterberg Limits = 12 each (subgrade, berm fill, utility backfill, base & soil cement)
- Proctors = 12 each (subgrade, berm fill, utility backfill, base & soil cement)
- Sieve Analysis = 4 each (berm fill & base)
- Minus #200 Sieve = 8 each (subgrades, berm fill & soil cement)
- Soil Compaction Test = 150 each (pump station backfill, utility backfill & soil cement)
- Set of 5 Concrete Cylinders = 18 sets (pump station, effluent box & electrical/chemical fdns.)
- Soil Cement Compressive Strength = 10 each
- Full Time Soil Technician (Berm Backfill) = 95 days
- Full Time Soil Technician (Soil Cement) = 45 days
- Technician = 48 hours (proof-roll, rebar & pier observations and standby)
- Professional Engineer = 8 hours (soil & concrete special inspections)
- Certified Weld Inspector (CWI) = 16 hours (weld and bolt special inspections)
- Transportation Charge = 60 each

**Using the applicable unit rates and day rates, the estimated testing and special inspection budget is on the order of \$148,000.00.**

**Limitations**

Services provided by RETL under this Agreement will be performed in a manner consistent with the degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances.

The Parties to this agreement agree that if any claim is made that RETL failed to comply with any term of this agreement or that it failed to perform its work and/or duties under this agreement properly, the client, upon proof that there was some failure to comply or some mistake in the performance of the work, shall not be entitled to recover any sum greater than the amount paid by the client to RETL for the services performed by RETL.

Either the Client or RETL may terminate this Agreement at any time with or without cause upon giving the other party 10-calendar days prior written notice. The Client shall within 10 calendar days of termination pay RETL for all services rendered and all costs incurred up to the date of termination, in accordance with the compensation provisions of this contract.

**Closing**

RETL looks forward to providing the construction materials testing and special inspections during the construction phase of this project. Copies of the construction materials testing reports will be delivered to the client via email. A hard copy of the construction materials testing reports will be available through the mail only if explicitly requested by the client. If there are any questions, or if we can be of assistance, please contact our office.

Sincerely,



Kyle D. Hammock, P.E.  
Vice President - San Antonio



Nathan Ruckstuhl, E.I.T.  
CMT Project Manager

**ACCEPTED AND APPROVED**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**Project Information Sheet**

1. Project Manager \_\_\_\_\_
2. Telephone No. \_\_\_\_\_ Email address \_\_\_\_\_
3. Your Project No. \_\_\_\_\_ Purchase Order No. \_\_\_\_\_
4. Report Distribution (electronically):
  - ( ) Company: \_\_\_\_\_  
Attn: \_\_\_\_\_  
Email: \_\_\_\_\_
  - ( ) Company: \_\_\_\_\_  
Attn: \_\_\_\_\_  
Email: \_\_\_\_\_
  - ( ) Company: \_\_\_\_\_  
Attn: \_\_\_\_\_  
Email: \_\_\_\_\_
5. Invoicing Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_
6. Site Contact: \_\_\_\_\_ Telephone No.: \_\_\_\_\_  
Email: \_\_\_\_\_

## PROFESSIONAL SERVICES AGREEMENT

[FIRM: Rock Engineering & Testing Laboratory, Inc. | PROJECT SERVICES: Geotechnical Engineer/Materials Testing for Reuse Pond and Pump Station]

THIS AGREEMENT is entered into the \_\_\_\_ day of \_\_\_\_\_, 2016 (“Effective Date”), by and between the CITY OF KERRVILLE, TEXAS (“CITY”) and Rock Engineering & Testing Laboratory, Inc., (“CONSULTANT”), and at times, collectively referred to herein as “parties”.

WHEREAS, CITY hires CONSULTANT to perform certain work and services set forth in Scope of Services, marked **Exhibit A**, and attached hereto and incorporated herein, toward completion of the Project; and

WHEREAS, CONSULTANT has expressed a willingness to perform said work and services as specified under Article I of this Agreement;

NOW, THEREFORE, the parties agree as follows:

### I. CONSULTANT’S SERVICES

CONSULTANT shall perform and pay for all labor, tools, materials, equipment, supplies, transportation, and management necessary to perform all services set forth in **Exhibit A** and all other professional services reasonably inferable from **Exhibit A** and necessary for complete performance of CONSULTANT’s obligations under this Agreement, collectively referred to herein as “Services”. CITY may, at any time, stop CONSULTANT from performing the Services upon giving CONSULTANT written notice. To the extent of any conflict between the terms of this Agreement and **Exhibit A**, the terms of this Agreement will prevail.

### II. CONSULTANT’S RESPONSIBILITIES

A. CONSULTANT shall, upon review of the description of the Project provided by CITY, prepare and provide to CITY the specific Services required to complete the Project, which is attached as **Exhibit A**.

B. CONSULTANT shall use its best efforts, skill, judgment, and abilities in performing the Services in an expeditious and timely manner consistent with the applicable professional standards of care and the orderly progress of the Project. CONSULTANT shall at all times provide sufficient personnel to accomplish the Services in a timely manner. CONSULTANT shall manage the Services, administer the Project, and coordinate other professional services as necessary for the complete performance of CONSULTANT’s obligations under this Agreement. CONSULTANT shall periodically report the status of the Services to CITY as is appropriate to keep CITY informed as to the status of the work.

C. CONSULTANT shall perform the Services in compliance with all applicable federal, state, and municipal laws, to include building codes and accessibility standards (e.g., Americans with Disabilities Act) and with those of any other entity having jurisdiction over the Project. In

addition, CONSULTANT shall perform the Services in a manner consistent with generally accepted standards for its profession.

**D.** Plans, drawings, specifications, and/or other reports produced by CONSULTANT (collectively referred to herein as "Design Documents") pursuant to the Services must be reasonably accurate and free from material errors or omissions. CONSULTANT shall promptly correct any known or discovered error, omission, or other defect in the Design Documents without any additional cost or expense to CITY and notify of CITY of same.

**E.** CONSULTANT shall designate a representative primarily responsible for its performance of the Services. The designated representative shall act on behalf of CONSULTANT with respect to all phases of the Services and shall be available as required for the benefit of the Project and CITY. CONSULTANT shall not change the designated representative without prior written approval of CITY, which approval may not be unreasonably withheld.

### **III. CITY'S RESPONSIBILITIES**

**A.** CITY shall provide CONSULTANT with a full description of the Project.

**B.** CITY shall furnish surveys, geotechnical reports, or other special investigations or tests, including structural, mechanical, chemical, for the Project site as requested by the CONSULTANT and as reasonably necessary for the completion of the Services.

**C.** CITY shall review the Design Documents. CITY shall notify CONSULTANT of any design fault or defect in the Services or Design Documents of which CITY becomes aware.

**D.** CITY shall furnish required information and services and shall render approvals and decisions as expeditiously as necessary for the orderly progress of the Services.

**E.** CITY designates **Kyle Burow [(830) 258-1410]**, as its representative authorized to act on its behalf with respect to the Project.

### **IV. PAYMENT**

CITY shall compensate CONSULTANT for its Services in an amount estimated at \$148,000.00. This is an amount that both parties agree is an estimate and is subject to an increase based upon additional services or services requested outside of normal business hours. CITY shall make payment to CONSULTANT within 30 days of CITY's receipt of an invoice, such invoices to be submitted by CONSULTANT on a monthly basis.

### **V. TIME FOR PERFORMANCE**

**A.** CONSULTANT shall commence its work immediately upon the parties' execution of this Agreement and proceed diligently with said work, except for delays beyond the reasonable control of CONSULTANT, to completion.

**B.** In the event CONSULTANT's performance of this Agreement is delayed or interfered with by acts of CITY or others, CONSULTANT may request an extension of time for the performance of same as hereinafter provided, but shall not be entitled to any increase in fee or price, or to damages or additional compensation as a consequence of such delays unless such delays exceed 90 days.

**C.** CITY is not obligated to approve and may not approve any allowance of an extension of time for any cause whatever claimed or made by CONSULTANT, unless CONSULTANT shall have made written request upon CITY for such extension within forty-eight (48) hours after the cause for such extension occurred, and unless CITY and CONSULTANT have agreed in writing upon the allowance of additional time to be made.

## **VI. DOCUMENTS**

**A.** CONSULTANT shall submit all Design Documents to CITY for approval. All Design Documents must be professionally sealed as required by law or by CITY.

**B.** CONSULTANT shall deliver the Design Documents, together with any necessary supporting documents, to CITY and CITY has unlimited rights, for the benefit of CITY, in all Design Documents, including the right to use same on any other work of CITY without additional cost to CITY. If CITY uses the Design Documents on any work of CITY other than that specified in the Services, then under those circumstances and only to the extent allowed by law, CONSULTANT, its officers, agents, servants, and employees will not be liable for damages or claims arising from any inaccuracy or any use of the Design Documents with respect to such other work, and except where CONSULTANT participates in such other work.

**C.** CONSULTANT grants CITY a royalty-free, perpetual license and right, to survive the termination of this Agreement, to all Design Documents which CONSULTANT may cover by copyright and to all designs as to which CONSULTANT may assert any rights or establish any claim under the design patent or copyright laws. This license includes CITY's right to use and reproduce these documents as necessary to implement any CITY project which may require the use of these documents. Further, CONSULTANT acknowledges that CITY is subject to Chapter 552 of the Government Code, commonly known as the "Texas Public Information Act," and hereby waives and releases the CITY from any claims against CITY for providing copies of the Design Documents in compliance with that Act. CONSULTANT, after completion of the Project, shall immediately furnish originals of all Design Documents to CITY.

**D.** CONSULTANT shall ensure that all text documents supplied to CITY as provided herein are fully compatible with MS Word and that all drawings are fully compatible with Adobe PDF format.

## **VII. TERMINATION**

**A.** CITY or CONSULTANT may suspend or terminate this Agreement for cause or without cause at any time by giving written notice to the other party. In the event suspension or termination is without cause, CITY's payment to CONSULTANT, in accordance with this Agreement, will be made on the basis of the Services reasonably determined by CITY to be

satisfactorily performed to date of suspension or termination. In addition, CITY's payment is subject to the CONSULTANT's delivery of all documents and reports reasonably required by CITY, to include Design Documents, invoices, statements, and accounts.

**B.** Should CITY require a modification to this Agreement, and in the event CITY and CONSULTANT fail to agree upon such modification, either CITY or CONSULTANT have the option of terminating this Agreement. Thereafter, CITY shall pay CONSULTANT in accordance with this Agreement for the Services mutually agreed upon by CITY and CONSULTANT to be properly performed by the CONSULTANT prior to such termination date.

## VIII. INSURANCE

CONSULTANT shall provide and maintain in full force and effect during the term of this Agreement the following types of insurance and liability coverage:

**A.** Workers Compensation with statutory limits.

**B.** Auto insurance, including insurance covering the operation of owned and non-owned automobiles, trucks and other vehicles, and protecting CONSULTANT and CITY as an additional insured with limits not less than \$500,000/\$1,000,000/\$250,000.

**C.** General Liability Insurance covering personal and bodily injuries or death in the sum of not less than Five Hundred Thousand Dollars (\$500,000.00) per occurrence and, One Million Dollars (\$1,000,000.00) aggregate. Insurance covering damages to property in the sum of not less than Two Hundred Fifty Thousand Dollars (\$250,000.00). The General Liability Insurance must name the CITY as an additional Insured.

**D.** Professional Liability Errors and Omissions Insurance covering CONSULTANT's provision of Services in the sum of not less than Five Hundred Thousand Dollars (\$500,000.00) per occurrence and Five Hundred Thousand Dollars (\$500,000.00) aggregate.

**E.** CONSULTANT shall furnish CITY with signed Certificates of Insurance, satisfactory to CITY, showing compliance with the requirements of this Article before commencement or continuation of the Services. The certificates must provide 30 days written notice to CITY, prior to the cancellation or modification of any insurance required herein, and CONSULTANT shall maintain all such insurance for four years following termination of this Agreement.

## IX. INDEMNIFICATION FOR INJURY AND PERFORMANCE

**A.** CONSULTANT shall protect, indemnify, and hold harmless CITY, its officers, agents, servants, and employees, hereinafter individually and collectively referred to as "Indemnitee(s)", from and against suits, actions, claims, losses, liability, or damage of any character and from and against costs and expenses, including, in part, attorney fees incidental to the defense of such suits, actions, claims, losses, damages, or liability on account of injury, disease, sickness, including death, to any person or damage to property including, in part, the loss of use resulting therefrom, arising from any negligent act, error, or omission of CONSULTANT, its officers, employees, servants, agents, or subcontractors,

or anyone else under CONSULTANT's, direction and control, and arising out of, resulting from, or caused by the performance or failure of performance of the Services, or from conditions created by the performance or non-performance of said work. In the event one or more of the Indemnitees is determined by a court of law to be jointly or derivatively negligent or liable for such damage or injury, CONSULTANT shall indemnify Indemnitee(s) as provided herein on a proportionate basis in accordance with the final judgment, after all appeals are exhausted, determining such joint or derivative negligence or liability.

B. CONSULTANT is not responsible for the actions of the CITY's contractor to perform the construction of the improvements covered under this Agreement.

C. Acceptance and approval of any work or final plans by CITY neither constitutes nor may be deemed a release of this responsibility and liability of CONSULTANT, its employees, associates, agents, and consultants for the accuracy or competency of their designs, working drawings, and specifications, or other documents and work; nor shall such approval be deemed to be an assumption of such responsibility by CITY for any defect in the Design Documents, or CONSULTANT's employees, contractor, agents, and consultants.

#### **X. INDEMNIFICATION FOR UNEMPLOYMENT COMPENSATION**

CONSULTANT agrees that it is an independent contractor and not an agent of CITY, and that CONSULTANT is subject, as an employer, to all applicable Unemployment Compensation Statutes, so as to relieve CITY of any responsibility or liability from treating CONSULTANT's employees as employees of CITY for the purpose of keeping records, making reports or payments of Unemployment Compensation taxes or contributions. **CONSULTANT shall indemnify and hold CITY harmless and reimburse it for any expenses or liability incurred under said statutes in connection with employees of CONSULTANT.**

#### **XI. INDEMNIFICATION FOR PERFORMANCE**

**CONSULTANT shall defend and indemnify Indemnitees against and hold CITY and the premises harmless from any and all claims, suits, or liens based upon or alleged to be based upon the non-payment of labor, tools, materials, equipment, supplies, transportation, and management costs incurred by CONSULTANT in performing the Services.**

#### **XII. DEFAULT OF CONSULTANT**

In the event CONSULTANT fails to comply or becomes disabled and unable to comply with this Agreement as to the quality or character of the Services or time of performance, and the failure is not corrected within ten (10) days after written notice from CITY to CONSULTANT, CITY may, at its sole discretion, without prejudice to any other right or remedy:

A. Terminate this Agreement and be relieved of the payment of any further consideration to CONSULTANT except for all work determined by CITY to be satisfactorily completed prior to termination. Payment for work satisfactorily completed will equal actual costs, including

reasonable salaries and travel expenses of CONSULTANT to and from meetings called by CITY at which CONSULTANT is required to attend, but shall not include any loss of profit of CONSULTANT. In the event of such termination, CITY may complete the services in any manner deemed proper by CITY, either by the use of its own forces or by assigning the work to others. In either event, CONSULTANT is liable for all costs in excess of the total contract price under this Agreement incurred to complete the Services and CITY may deduct the costs CITY incurs out of such monies as may be due or that may thereafter become due to CONSULTANT under this Agreement.

B. CITY may, without terminating this Agreement or taking over the Services, furnish the necessary materials, equipment, supplies, and/or help necessary to remedy the situation, at the expense of CONSULTANT.

### **XIII. MISCELLANEOUS PROVISIONS**

A. Entire Agreement. This Agreement supersedes all prior agreements, written or oral, between CITY and CONSULTANT and constitutes the entire and integrated Agreement and understanding between the parties with respect to the subject matter of the Agreement. This Agreement may only be amended by a written instrument signed by both parties.

B. Assignment. This Agreement is a personal service contract for the services of CONSULTANT and CONSULTANT's interest in this Agreement, duties hereunder, and/or fees due may not be assigned or delegated to a third party without the written consent of CITY. Sale of more than fifty percent (50%) ownership of CONSULTANT will be considered an assignment.

C. Adjustment in Services. CONSULTANT shall not make any claims for extra services, additional services, or changes in the Services without a written agreement with CITY prior to the performance of such services.

D. Applicable Law. This Agreement must be construed, interpreted, and applied in accordance with and governed by and enforced under the laws of the State of Texas without giving effect to principles of conflict of law. Venue will occur in Kerr County, Texas.

E. Waiver. A delay or omission by either party in exercising any right or power under the Agreement may not be construed as a waiver of that right or power. A waiver by either party of any term or condition of the Agreement may not be construed as a waiver of any subsequent breach of that term or condition or of any other term or condition of the Agreement. Further, neither CITY's review, approval, or acceptance of, nor payment for any of the Services, may be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

F. Severability. If any provision of this Agreement is determined to be invalid or unenforceable in any respect, that determination may not affect any other provision of this Agreement which will be interpreted as if the invalid or unenforceable provision had not been included.

G. Independent Contractor. CONSULTANT agrees that CONSULTANT is engaged as an independent contractor and that City has no responsibility to provide CONSULTANT or its

employees with any benefits associated with employee status. CONSULTANT shall neither hold itself out as nor claim to be an officer, partner, employee, or agent of CITY.

**H. Exhibits.** The following exhibit(s) is(are) attached to this Agreement and is (are) included herein for all purposes:

**Exhibit A: Scope of Services**

**I. Execution Becomes Effective.** This Agreement is effective as of the Effective Date.

**J. Notices and Authority.** CONSULTANT shall send all notices required under this Agreement to the City Manager at City Hall, 701 Main Street, Kerrville, TX 78028. CONSULTANT agrees that only the City Manager, or designee, has the authority to represent CITY or bind CITY under this Agreement. CITY shall send all notices required under this Agreement to the CONSULTANT at:

Rock Engineering & Testing Laboratory, Inc.  
10856 Vandale Street  
San Antonio, Texas 78216

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

**OWNER**  
THE CITY OF KERRVILLE

**CONSULTANT**  
ROCK ENGINEERING & TESTING  
LABORATORY, INC.

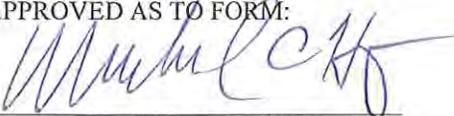
BY: \_\_\_\_\_  
TITLE: CITY MANAGER

BY: \_\_\_\_\_  
TITLE: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Brenda G. Craig, City Secretary

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Michael C. Hayes, City Attorney



- GEOTECHNICAL ENGINEERING
- CONSTRUCTION MATERIALS ENGINEERING & TESTING
- SOILS • ASPHALT • CONCRETE

September 19, 2016

City of Kerrville  
701 Main Street  
Kerrville, Texas 78028

Attention: Kyle Burow, P.E., CFM

**SUBJECT: PROPOSAL TO PERFORM CONSTRUCTION MATERIALS TESTING AND SPECIAL INSPECTIONS FOR THE PROPOSED KERRVILLE REUSE POND & PUMP STATION SPUR 100 KERRVILLE, TEXAS**  
**RETL Proposal Number: P083116A (Revision No. 1)**

Dear Mr. Burow,

### **Introduction**

Rock Engineering and Testing Laboratory, Inc. (RETL) is pleased to provide this proposal to perform the Construction Materials Testing and Special Inspections for the proposed Kerrville Reuse Pond & Pump Station to be constructed in Kerrville, Texas. This proposal contains our unit rates and an estimated testing and special inspection budget. It is understood that RETL has been selected by the City of Kerrville to perform these services based on our qualifications and experience in the Kerrville area.

### **Unit Rates**

The type of field and laboratory tests and inspections that may be required on this project and the associated unit fees are as follows:

- Atterberg Limits - \$75.00 each
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- Set of 5 Concrete Test Cylinders - \$225.00 per set
- Set of 4 Grout Prisms - \$200.00 per set
- Soil Cement Compressive Strength - \$75.00 each
- Engineering Technician - \$50.00 per hour (observations, weekend and standby time)
- Professional Engineer (PE) - \$150.00 per hour (concrete, masonry, & soil special inspections)
- Certified Weld Inspector (CWI) - \$85.00 per hour (weld and bolt special inspections)
- Transportation Charge - \$150.00 each

**ROCK ENGINEERING & TESTING LABORATORY, INC.**  
10856 Vandale St. • San Antonio, Texas 78216  
OFFICE: (210) 495-8000 • FAX: (210) 495-8015 • [www.rocktesting.com](http://www.rocktesting.com)

A minimum of 3 compaction tests will be billed each time this service is requested and the compaction test fee includes the technician time, equipment, and reporting. The fee for a set of concrete test cylinders and grout prisms includes the technician time up to 1-hour onsite, sampling equipment, casting, curing, testing specimens, and reporting the test results. Standard work hours are from 8:00 a.m. to 4:00 p.m., Monday through Friday. Weekend or work outside of standard work hours will be considered overtime and the Contractor will be responsible for reimbursing the City for overtime wages. Inspector overtime wages are \$50/hour. Weekend work will have a minimum 4-hour charge per day with a trip charge of \$150/day. Professional Engineer (PE) and Certified Weld Inspector (CWI) for requested special inspections will be billed at a 2 and 4-hour minimum rate, respectively. The transportation charge includes the technician travel time and all vehicle charges.

In the event the project moves at a pace where a technician is required to remain on-site full-time for soil compaction testing, a day rate of **\$850.00 per day** will be applicable. The day rate will include technician time up to 8 hours on-site, unlimited soil compaction tests, technician travel time with all vehicle charges and report preparation. The above listed regular unit rate costs will apply if the soil technician is on-site for less than 4-hours per day. Overtime hours as defined above will also be applicable for the day rate billing method.

### **Estimated Budget**

Based on the project information provided to RETL, the project will include the construction of a new lined reuse pond and pump station. The new pond berms will require approximately 7 to 25-feet of embankment material and will require HDPE liners and 9-inches of soil cement. A gravel base roadway will be constructed along the top of berm. The pump station will include installation of five pumps, an electrical and chemical building and reuse distribution waterlines. Approximately 2,800 LF effluent line will be installed. RETL estimates the following quantities of testing for the project:

- Atterberg Limits = 12 each (subgrade, berm fill, utility backfill, base & soil cement)
- Proctors = 12 each (subgrade, berm fill, utility backfill, base & soil cement)
- Sieve Analysis = 4 each (berm fill & base)
- Minus #200 Sieve = 8 each (subgrades, berm fill & soil cement)
- Soil Compaction Test = 150 each (pump station backfill, utility backfill & soil cement)
- Set of 5 Concrete Cylinders = 18 sets (pump station, effluent box & electrical/chemical fdns.)
- Soil Cement Compressive Strength = 10 each
- Full Time Soil Technician (Berm Backfill) = 95 days
- Full Time Soil Technician (Soil Cement) = 45 days
- Technician = 48 hours (proof-roll, rebar & pier observations and standby)
- Professional Engineer = 8 hours (soil & concrete special inspections)
- Certified Weld Inspector (CWI) = 16 hours (weld and bolt special inspections)
- Transportation Charge = 60 each

**Using the applicable unit rates and day rates, the estimated testing and special inspection budget is on the order of \$148,000.00.**

**Limitations**

Services provided by RETL under this Agreement will be performed in a manner consistent with the degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances.

The Parties to this agreement agree that if any claim is made that RETL failed to comply with any term of this agreement or that it failed to perform its work and/or duties under this agreement properly, the client, upon proof that there was some failure to comply or some mistake in the performance of the work, shall not be entitled to recover any sum greater than the amount paid by the client to RETL for the services performed by RETL.

Either the Client or RETL may terminate this Agreement at any time with or without cause upon giving the other party 10-calendar days prior written notice. The Client shall within 10 calendar days of termination pay RETL for all services rendered and all costs incurred up to the date of termination, in accordance with the compensation provisions of this contract.

**Closing**

RETL looks forward to providing the construction materials testing and special inspections during the construction phase of this project. Copies of the construction materials testing reports will be delivered to the client via email. A hard copy of the construction materials testing reports will be available through the mail only if explicitly requested by the client. If there are any questions, or if we can be of assistance, please contact our office.

Sincerely,



Kyle D. Hammock, P.E.  
Vice President - San Antonio

**ACCEPTED AND APPROVED**

By: \_\_\_\_\_

Date: \_\_\_\_\_



Nathan Ruckstuhl, E.I.T.  
CMT Project Manager

Project Information Sheet

1. Project Manager \_\_\_\_\_
2. Telephone No. \_\_\_\_\_ Email address \_\_\_\_\_
3. Your Project No. \_\_\_\_\_ Purchase Order No. \_\_\_\_\_
4. Report Distribution (electronically):
  - ( ) Company: \_\_\_\_\_  
Attn: \_\_\_\_\_  
Email: \_\_\_\_\_
  - ( ) Company: \_\_\_\_\_  
Attn: \_\_\_\_\_  
Email: \_\_\_\_\_
  - ( ) Company: \_\_\_\_\_  
Attn: \_\_\_\_\_  
Email: \_\_\_\_\_
5. Invoicing Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_
6. Site Contact: \_\_\_\_\_ Telephone No.: \_\_\_\_\_  
Email: \_\_\_\_\_

## **Agenda Item:**

5C. Authorization to negotiate a professional services contract with Intermedix to perform EMS billing services for the city.



1. Reputation – Intermedix is one of the largest EMS billing services in the nation, billing almost 4 million transactions a year for over 250 cities nationwide ranging from very large (New York City, Chicago and Los Angeles) to very small, with 80% of their client base made up of small cities. Intermedix offers the latest in filing, reporting, collection services and technology as well as extensive analytics regarding our EMS services.
2. Fees – Intermedix's charges a 5.75% fee on dollars collected. Other quotes ranged from 7% to 8%. Based on anticipated dollars collected, Intermedix fees would be lower than other quotes by approximately \$47,000 annually.
3. References – We spoke with representatives from other cities that use Intermedix. All of the references spoke highly of their experience with Intermedix and recommended using their service.
4. Compatibility with existing systems – EMS claims begin with a patient care report completed by medics taking the call. Intermedix has an established interface with our existing patient care reporting system, meaning the conversion to Intermedix would not be noticeable for our field staff. Other firms would require us to convert to a different patient care reporting system and retrain our staff.

#### **RECOMMENDED ACTION**

For the reasons stated above, staff recommends authorizing the City Manager to negotiate a contract with Intermedix to provide EMS billing services for the City of Kerrville, with the new service to begin within 60 to 90 days of contract execution. The negotiated contract will be presented to City Council for consideration in October 2016.

City of Kerrville  
 EMS Billing Services Proposal Analysis  
 September 2016

Criteria	Intermix		A/R Concepts		Koronis Revenue Solutions		Stat Billing		In House	
	large	medium	medium	medium	medium	medium	very small	very small	2	2
1. Firm size	large	medium	medium	medium	medium	medium	very small	very small	2	2
2. Continue using existing PCR?	yes	no	no	no	yes	yes	yes	yes	yes	yes
3. Electronic interface with PRMC	yes	no	no	no	no	no	no	no	no	no
4. Web access to patient accounts	yes	no	no	no	no	no	no	no	no	no
5. Online payments	yes	no	no	no	no	no	no	no	no	no
6. Credit card payments	yes	at COK only	at COK only	at COK only	at COK only	at COK only	at COK only	at COK only	yes	yes
7. Evening and Saturday hours	yes	no	no	no	no	no	no	no	no	no
8. Service bad debt accounts?	no	yes	yes	yes	no	no	no	no	no	no
9. Nationwide insurance eligibility database	yes - 40 mil.	yes - smaller	yes - smaller	yes - smaller	yes-smaller	yes-smaller	no	no	no	no
10. Conversion of existing accounts	yes	yes	yes	yes	yes	yes	no	no	n/a	n/a
11. Dedicated account representative	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
12. Insurance/Govt Program reenrollment	yes	yes	yes	yes	not sure	not sure	not sure	not sure	yes	yes
13. Training for medics	yes	yes	yes	yes	yes	yes	no	no	no	no
14. In house claim audits	yes	yes	yes	yes	yes	yes	no	no	no	no
15. Auto insurance billing	yes	yes	yes	yes	yes	yes	no	no	no	no
16. Skip tracing	yes	yes	yes	yes	not sure	not sure	no	no	no	no
17. Responsive to questions & messages	yes	yes	yes	yes	no	no	yes	yes	n/a	n/a
18. Primary service location	Mansfield, TX	San Antonio	San Antonio	San Antonio	Houston	Houston	Castroville	Castroville	Kerrville	Kerrville
19. Fee (% of dollars collected)	5.75%	8.00%	8.00%	8.00%	7.00%	7.00%	7.50%	7.50%	7.01%	7.01%

Proposal for  
Revenue Cycle Management  
Respectfully Submitted to  
Kerrville Fire Department  
September 20, 2016



# COMPANY OVERVIEW

Intermedix has been a leader in health care business services for more than 35 years. Today, with approximately 2,500 employees, Intermedix annually processes more than 15 million patient encounters, collects more than \$3 billion in revenue for clients and connects more than 95% of the United States population through its emergency preparedness and response technologies.

## EMS MARKET LEADERSHIP

Intermedix is a leading provider of EMS revenue cycle management services and serves 50% of the nation's largest cities by population.

## MUNICIPAL MARKET LEADERSHIP

Intermedix is committed to serving municipal clients.

95% Municipal EMS Operations  
5% Commercial EMS Operations

## MARKET SHARE OF TOP 50 CITIES\*

*\*cities who choose to outsource billing*



■ Intermedix  
■ Other Vendors

## GLOBAL PRESENCE



# EMS BILLING

**3,600,000**  
Patient Transports

**300+**  
Satisfied Clients  
Including Commercial, Municipal  
& Hospital EMS Agencies.

**Proprietary**  
Billing Software

Over  
**\$1 Billion**  
Annual Client  
Collections

**30 Million**  
Patient Records

**30+ Years**  
Experience in  
EMS Industry

**145**  
Health Systems  
Integrations Covering  
**400 Facilities**

**Domestic Patient**  
**Support Center**

**90+ ePCR**  
**Integrations**  
With Vendors Including  
Zoll RescueNet

**11**  
Of the Nation's  
**30**  
Largest Cities

**70% Average**  
Revenue Increase in  
the Last 5 Years

**250+ Cities**  
Across the  
United States

**Consistent**  
**Increases**  
In Average Collection  
Per Account For the  
Past 10 Years

**17,000+**  
Health Care Facilities

**50+ CAD**  
**Integrations**  
With Vendors Including  
TriTech, Zoll & Geac

**3 Data Centers**  
Geographically  
Dispersed

**\$75 Average**  
Revenue Increase  
Per Transport

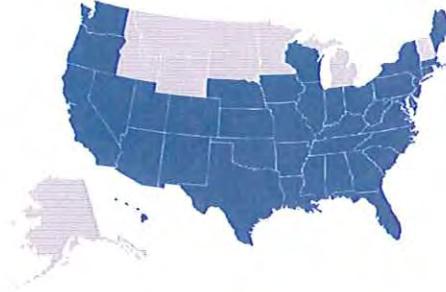
**33**  
Office Locations

# CLIENT EXPERIENCE

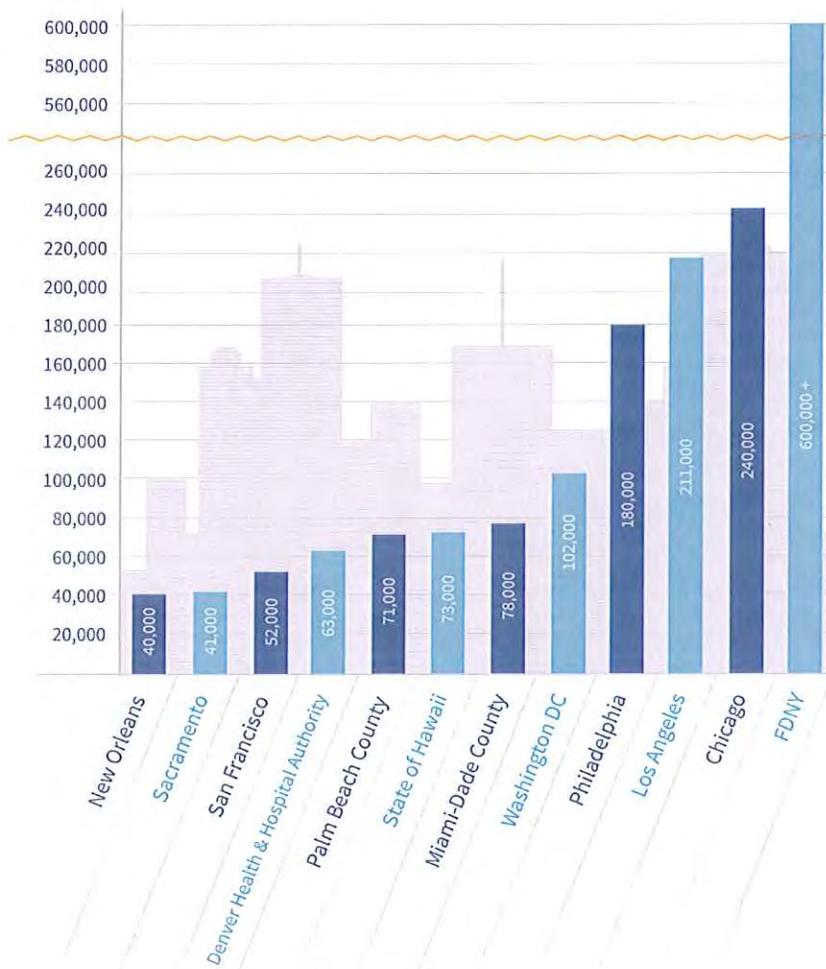
The nation's largest emergency medical service providers trust Intermedix as their revenue cycle management partner. We process more than 3 million transports for our clients and collect nearly \$1 billion annually.



We serve 300+ clients  
across the U.S.



## LARGE CLIENTS BY ANNUAL VOLUME





“*Excellence* and *integrity* describe Intermedix. We have a successful partnership. They are receptive to all our requests and respond promptly. *I would highly recommend Intermedix.*”

CHIEF DIANE SCHWEIZER | PHILADELPHIA FIRE DEPARTMENT | 2013



“... Intermedix has served as a *reliable partner* by *delivering exceptional customer service* and *consistent financial results*. ...The Intermedix client service representatives and executive managers keep me informed of compliance changes in the industry and I remain confident the Intermedix team offers a *compliance program* that clearly protects our organization and patients.... Intermedix *focuses on collecting maximum compliant reimbursements* for the Miami Dade County Fire Rescue Department and I believe they will produce the same results for any client that selects this *superior team.*”

ASSISTANT DIRECTOR | MIAMI DADE FIRE RESCUE DEPARTMENT | FEBRUARY 2013



“Please convey to all [of Intermedix’s] *great employees* both District Government’s and my *sincere appreciation* for their *hard work*. DC is closing in on \$25 million in collections this fiscal year, up almost \$3 million from last year, *another benchmark year for us, especially in tough times.*”

EMS BILLING COORDINATOR | WASHINGTON D.C. FIRE AND EMS DEPARTMENT

# CLIENT HIGHLIGHTS



- **Transitioned** from Sutherland while under corporate integrity agreement
- Achieved 50% **revenue increase** in first year without fee increase
- Implemented a **Medicare signature solution**
- Established 40 **hospital connections**, covering 95% of total transport volume
- Built custom **integrations** for AR management & bank/walk-in payment center

⚙️ **TECHNOLOGY SOLUTIONS:** EMTrack, WebEOC



- **Transitioned** from in house billing, quickly worked down paper PCR backlog
- Built custom **integrations** to Sansio Health EMS and collection agency
- Configured detailed **exception processing**, including hardships
- **Trained** administrative staff on data & analytics access

⚙️ **TECHNOLOGY SOLUTIONS:** WebEOC



- **Transitioned** from ACS with AR conversion of more than 1.2 million records
- Deployed TripTix ePCR on 90 new Toughbooks, **trained** more than 1,100 medics
- Established 21 **hospital connections**, covering 93% of total transport volume
- Built custom **integrations** with MDT, CAD and Sansio Cares Registry

⚙️ **TECHNOLOGY SOLUTIONS:** TripTix, Fleeteyes



### Miami-Dade County Fire Rescue

- **Transitioned** from Per-Se/McKesson
- Built **integrations** with SafetyPad ePCR & first responder unit
- Established 16 **hospital connections**, covering 78% of total transport volume

#### TECHNOLOGY SOLUTIONS:

- WebEOC



### Washington D.C. Fire & EMS Department

- Built **integration** with SafetyPad ePCR
- Established 6 **hospital connections**, covering 58% of total transport volume

#### TECHNOLOGY SOLUTIONS:

- WebEOC



### San Francisco Fire Department

- **Transitioned** from Allied Information Services
- Assisted with transition from paper to ePCR
- Built custom **integration** with ZOLL ePCR, CAD
- Deployed 92 Toughbooks, 18 workstations and 20 printers

#### TECHNOLOGY SOLUTIONS:

- WebEOC



# References

## **New Braunfels Fire Department**

Captain Mark Eliot, EMS Administrator

(830) 221-4264 office

[MEliot@nbtexas.org](mailto:MEliot@nbtexas.org)

Dates: January 2004

Size/Complexity: 5,000 transports and TripTix ePCR

## **Kingsville Volunteer Fire Department**

Adrian Garcia, Fire Chief

(361) 592-6445 office

[AGarcia@cityofkingsville.com](mailto:AGarcia@cityofkingsville.com)

Dates: October 2009

Size/Complexity: 2,000 transports and TripTix ePCR

## **Allen Fire Department**

Chief Kurt Hall, Assistant Fire Chief

(214) 509-4402 office

[KHall@cityofallen.org](mailto:KHall@cityofallen.org)

Dates: 2007

Size/Complexity: 4,000 transports and TripTix ePCR

## **Cy-Fair Volunteer Fire Department**

Amy Ramon, Fire Chief

(281) 550-6663 office

[Amy.Ramon@cyfairvfd.org](mailto:Amy.Ramon@cyfairvfd.org)

Dates: December 2003 – October 2013; Returned September 2015

Size/Complexity: 15,000 transports and ImageTrend ePCR

## **Kendall County EMS**

Jeff Fincke, EMS Administrator

(830) 249-3721 office

[JFincke@co.kendall.tx.us](mailto:JFincke@co.kendall.tx.us)

Dates: July 2005

Size/Complexity: 1,600 transports and TripTix ePCR

## *Professional Relationship Reference*

Dr. Brandon Lewis, DO

Medical Director

**Bryan – St. Joseph Regional  
Health Center**

**Emergency Department**

Mobile (979) 777-0926

[Brandon@EDdocs.com](mailto:Brandon@EDdocs.com)

*25 Years of Service Experience  
with Jackie Willett and her team*

Kerrville Fire Department

# Staffing Plan



# Texas Team Experience



## Our Commitment to Texas

- Texas EMS Alliance - Member
- Texas Ambulance Association – Full Membership
- Texas Emergency Medicine Practice Alliance – Member
- Texas Association of Air Medical Services – Website Sponsor
- Texas Medical Group Management Association – Legislative Committee Member

## Local Service by a Local Team

LEADERSHIP | CLIENT RELATIONS | OPERATIONS | PATIENT SERVICE



**JACKIE WILLETT, CHBME**  
*SVP, Operations & Client Relations*

- Responsible for client management & EMS billing operations for Texas clients
- More than 20 years of experience in EMS, business & finance



**LAUREN GREGORY**  
*Client Relations Manager*

- Responsible for building client relationships through outstanding service
- More than 15 years of emergency healthcare & client service experience



**RICHARD KLEMME**  
*Director, Client Relations*

- Responsible for oversight of client service & overall success
- More than 15 years of business & healthcare experience



**EMILY MIZE**  
*Director, Operations*

- Responsible for operations procedures & processes for EMS billing clients in Texas
- More than 10 years of operations & healthcare experience

# KERRVILLE PROJECT TEAM

When it comes to managing your day-to-day business, we have a project team of Professional Services, Operations and Client Relations professionals that are dedicated to serving your needs. Our seasoned executives will work hand in hand to ensure that KFD and your representatives receive accurate, effective and timely service - allowing you to focus on your daily demands. Here's what you can expect from us:

## A Full-Service Client Team

The client team we are proposing a Client Support Services Team available to quickly and effectively meet your daily needs and a dedicated Client Relationship Director and an Executive Sponsor who will ensure that KFD will have access to the internal resources of Intermedix throughout the contract. Additionally, our Professional Services Team will be tasked with executing the implementation and all of its attendant projects.

The **Client Support Services Team** is a client-only support line that KFD's Billing Manager can access toll-free for immediate help with:

- Billing questions
- Process questions
- Account inquiries
- Adding a medic
- Collections questions
- Attorney requests (subpoenas, etc.)
- And more!

Your **Client Relationship Manager**, will be available to KFD for:

- Monthly reports
- Service meetings
- Revenue and performance monitoring
- Identifying trends
- Resolution of issues identified by KFD, our Client Support and Operations Teams
- Coordination with Professional Services project managers to implement new services, fee schedules, integrations, etc.
- Ensuring the implementation and communication of changes policy (ie: an ePCR vendor migrates to NEMSIS 3, etc.)

Our **Professional Services Team** is entirely focused on effectively and efficiently implementing new contracts. They will work KFD to accomplish the following:

- Billing System Set up
- Implementation Project Management
- Documentation of an Billing Policies and Procedures Manual specific to our partnership that will be a key deliverable upon completion of implementation for Intermedix and KFD staff to monitor performance throughout the contract
- Develop integration with Zoll RescueNet to bring ePCR data into our billing system electronically
- Develop integration with Zoll to import and convert A/R data into the Intermedix billing system
- Develop relationships with KFD's transport facilities to seek electronic receipt of hospital patient demographic and insurance information to support the billing process
- Develop standard reports
- And more!

# COMPLIANCE STAFF

Intermedix places compliance at the heart of all operations, and our investment in experienced professionals and industry certifications demonstrates that focus.

The Intermedix compliance team stays abreast of local and national trends that impact billing and collections and our clients. Our Compliance and Audit Departments are continuously engaged in performing reviews and analysis of payment and denial trends so that we can take appropriate action on behalf of our clients. Our Compliance team includes the following professionals:



MELISSA LEIGH, CHC  
Chief Compliance Officer

- *Responsible for managing our compliance with law and industry regulations*
- *Ensures that Intermedix follows best practices to protect our clients and their constituents*
- *More than 10 years of experience in regulatory compliance and information technology*



LEIGH ANNE BEDRICH, CHC  
EMS Compliance Officer

- *Oversees EMS organizational compliance*
- *More than 30 years in prehospital and acute care*
- *She is a Certified Ambulance Privacy Officer, National Fire Academy Executive Fire Officer, and a Texas licensed paramedic*

## ACTIVE INDUSTRY ENGAGEMENT

Intermedix is actively involved with the following industry groups to stay up-to-date on the latest trends, show our support for their similar values and contribute insights based on our experience and expertise.

American Ambulance Association,  
Federal Reimbursement Committee

We review all federal regulation changes that relate to reimbursement in the ambulance industry.

National Academy of Ambulance Coding (NAAC)

We participate in training seminars and continuing education.

Page Wolfberg & Wirth

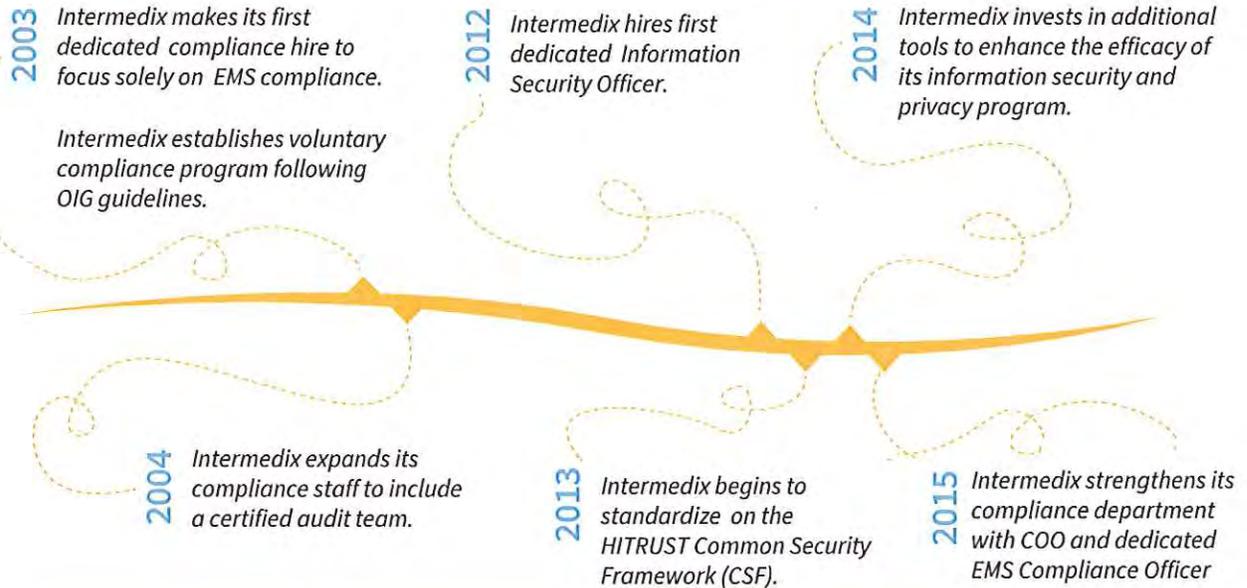
We attend national and regional seminars.



**>50 nationally certified coders with expertise in EMS ambulance coding.**

## HISTORY OF INVESTMENT IN COMPLIANCE

The following timeline illustrates our history of investment in our compliance program.



Intermedix ensures compliance through:

- **Internal Audits**

We regularly perform audits to ensure that all the required controls are in place and effective.

- **Independent Third Party Audits**

We bring in auditors to objectively assess our control structures on a regular basis.

*SSAE16 / SOC1 reports issued by auditors certify the existence and effectiveness of the controls around all major Intermedix systems.*

## HIPAA HITECH COMPLIANCE

The HITRUST CSF is becoming the de facto standard framework that is being used by most major healthcare providers and payers - 50% of all providers and 70% of all health plans with more than 500,000 members have standardized on HITRUST. HITRUST ensures compliance with:

- HIPAA (Privacy and Security Rules)
- HITECH
- The Omnibus Rule
- PCI (Payment Card Industry) Data Security Standards
- State Information Security and Privacy Controls

Kerrville Fire Department

# Implementation and Integrations



# IMPLEMENTATION

Intermedix has extensive experience successfully onboarding clients. Our proven implementation process centers around the following principles:

**CLIENT FOCUS** We establish a comprehensive client profile and use it throughout the implementation process to ensure your business needs are met.

**PROACTIVITY** We establish communication channels early and remain actively engaged in the relationship to ensure we are exceeding your expectations.

**EXPERTISE** We have a dedicated implementation team with experience deploying revenue cycle management programs to clients throughout the country.

**QUALITY** We perform ongoing testing and quality assurance checks throughout the process to ensure each component of the plan is working on the date we go live.

## PROJECT MANAGEMENT APPROACH

Intermedix utilizes a robust, scalable Project Management methodology based on the Project Management Institute's (PMI) Project Management Body of Knowledge (PMBOK). Intermedix adjusts its project activities and resource allocation to meet the needs of each individual client.

This methodology is flexible and scalable in nature and allows for customization of each project plan to fit the specific needs of our individual clients. In our decades of experience, we have found that most of the individual activities are standardized while about a quarter are customized activities dependent on the variables introduced by the individual project and client. This allows the team to complete a comprehensive and accurate project plan soon after project kickoff.

Once complete, the project plan provides a clear and concise, step by step road map of the activities that will need to be completed in order to meet the project's milestones and overall objectives. The project plan is reinforced by a comprehensive communication and stakeholder engagement strategy which includes regular project checkpoints, strong feedback loops and clear concise project snapshots.

## ROLES & RESPONSIBILITIES

### Intermedix Responsibilities

- Manage project plan and milestones.
- Conduct weekly status meetings and maintain issue resolution logs.
- Coordinate ePCR and legacy billing vendor integration tasks.
- Manage project scope and communicate/mitigate risks.
- Provide best practices and operational knowledge.
- Procure hardware and software (if within project scope).

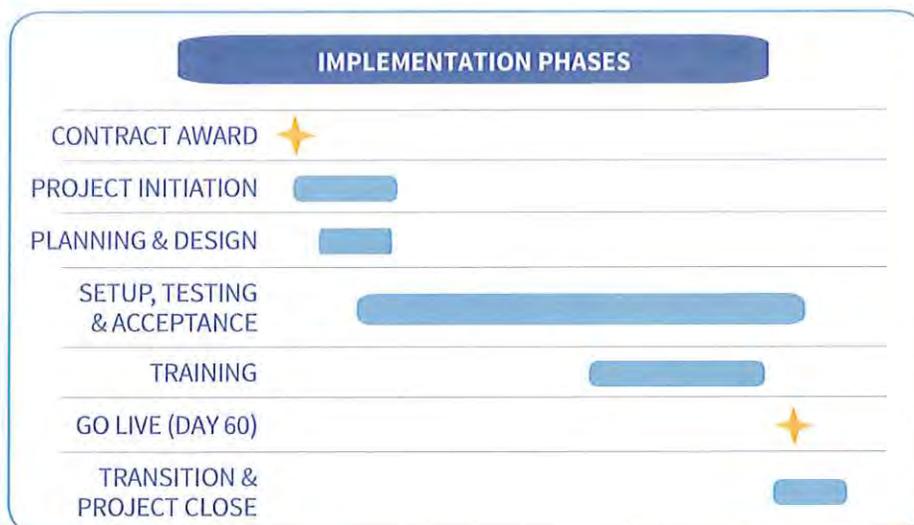
### Client Responsibilities

- Designate key stakeholders, decision makers, functional and technical team members.
- Respond quickly to requests during Intermedix project startup (ie: questionnaires, data, etc.).
- Respond quickly to banking, operational processes, credentialing and enrollment requests.
- Timely acceptance and approval.

## IMPLEMENTATION TIMELINE

Implementation begins with contract award and typically commences 60 days later with project go-live.

Project timing is directly related to the level of client engagement.



## Intermedix EMS Billing Startup Checklist/Discussion Items

- A. **ePCR Integration (if applicable)**- Set up conference call with IMX ePCR Integration Team re: the testing needs and the user acceptance testing (UAT) process which will take 4-6 weeks after the receipt of test files.
- B. **Bank Lockbox set up (if applicable)**- Agency will need to contact their Bank to request the appropriate forms to set up a lockbox for receipt of EFTs and payments, if not already set up.
- C. **Payer Enrollment for electronic claims and remits**. We need the Payer Enrollment forms completed for the agency to authorize Zirmed, our clearinghouse, to send electronic claims and receive electronic remits; and for the major payers to set up their systems. The agency will need to confirm what EFTs (electronic funds transfers) they are currently receiving (e.g., Medicare, Medicaid, Tricare, Railroad, VA, BCBS, etc.). We also need to confirm if the same bank account numbers will be utilized. Changing bank account number will require new EFT forms to be completed for the payers.
- D. **Zirmed enrollment forms will take about 4-6 weeks** for payer approvals after submission, e.g., Medicare, Medicaid, Railroad, Tricare and BCBS. To create the enrollment forms we will first need to set up Zirmed for your agency. we need the following information: Legal Business Name, DBA, NPI, Tax Id, Medicare PTAN, Medicaid #, BCBS #, Railroad PTAN, Tricare #, Physical Address and Mailing Address. Most of this information is on the Client Enrollment form which is also the form used to set up your agency in our billing system.
- E. Copies of the latest **Medicare 855B and Medicaid provider enrollment forms** or copy of the information in PECOS will be requested. This will let us know who is "Authorized" to sign the enrollment forms for Medicare and Medicaid in particular. We will also need to update the billing agency info for these two government payers. Updating the **NPI Registry or NPPES info** with the correct physical and mailing addresses, and authorized official s are important because payers will be looking at that information.
- F. While the above is in process, we will **set up the IMX billing system** with the forms you need to complete ( Client Enrollment, Facility/Pickup Locations, Responding Unit, Crew Enrollment forms.) and we will also work with you to identify all the **billing protocols** for your accounts.
  - 1. Are all ambulance vehicles ALS equipped?
  - 2. Will all ambulance transports be staffed with at least one paramedic?
  - 3. Can we round up mileage or use loaded mileage for other than Medicare accounts?
  - 4. What is the fiscal year start month?
  - 5. Do you have resident policy?
  - 6. Do you a subscription program?
  - 7. Do you want to maintain all the medics in the billing system for reports (Medic Manager)?

8. Do you bill for nonemergency transports?
9. Do you bill for specialty care transports?
10. Do you bill for air transports?
11. Other, e.g., patient statement info, logo, etc.
12. Obtain copy of medical protocols.

**G. Billing Protocols** - Here are some of the billing protocols we will need to discuss.

1. Please send us copies **of epcrs and signature statements** so that we can review with coding.
2. Please send us a copy of your **current charge master**. When was it last updated?
3. Please send us **sample copies of current EOBs** for your major payers
4. Do you have any **contracts with payers**?
5. **Treatment No Transport (TNT)**: Will you allow billing for TNTs?
6. **Dead on Scene**: Will you allow billing for dead on scene?
7. **Deceased Patients**: Can we pursue spouse/estate for outstanding balances?
8. **Attorney Requests for Copy of Medical Records**: We generally ask that they make requests in writing and send a check for coping fee (e.g., \$25) to the agency for release of any medical records. We can send the requests to you for approval since you may want to review/QA the pcr before sending it to the attorney, to protect the agency. Will you authorize us to release billing requests after payment of our fees?
9. **Attorney Requests for Reductions in Charges**: We can forward these requests to you for review and directions.
10. **Patient Disputes**: We can forward these dispute letters to you for review and directions.
11. **Patient Hardship Requests**: We can forward these hardship request letters for review and directions. Do you have hardship forms?
12. **Installment Payments**: Will you allow us to accept installment payments from patients? What is the minimum you would accept and for how long, e.g., \$25 minimum for 12 months max?
13. **Credit Cards**: Will you allow us to accept credit card payments? If yes, do you have your own merchant id? If not, we need to set one up through our vendor partner Zirmed (Zpay). What credit cards would you or do you accept-Visa/MC? Discover? American Express?
14. **Refund Requests**: Who should we send insurance and patient refund requests for review and approval?
15. Is there any **Resident vs. Non Resident Billing** differences?

16. **Collections Agency Policy:** We only do soft collections. Do you want us to send accounts to a collections agency? Do you have any agreement with a collections agency? Do you want to review the accounts before we send them to the collections agency? Are there any special instructions prior to sending accounts to collections?
17. **Small Balance Write Off Policy:** Do you have a small balance write off policy?
18. **Hospital Facesheets:** Do your medics ask for a hospital facesheets at the time of drop off to send to us?
19. **Hospital Liaison Contacts:** Can you provide hospital contacts for us to fax facesheet requests and start to work with them on hospital downloads of patient demographic and financial information.
20. **Patient and Facility Signatures:** Are your medics collecting the patient's signature and if not, are they documenting the PUTS (Patient Unable to Sign) reason or the RUTS (Representative Unable to Sign) reason; and printing the name for legibility confirmation. Facility Representative signatures should also be printed with their titles/credentials.
21. **EOM and Special Reporting:** Do you have any special reporting needs? When is your fiscal year start? When do you need your closing reports?
22. **Fractional Mileage Documentation:** Are the medics recording fractional mileage?
23. Any **conversion requirements** from the previous vendor?
24. **Historical volume and collections by month:** Can you provide the last 12 months data for comparisons
25. **Encrypted emails, File Transfer and Secure FTP:** We need to review protocols for protecting PHI.
26. **System Access:** Names, title and emails of those needing access to our billing system.
27. **Agency Letter re: Change of Payment Address on Agency Letterhead** to send to all the payers.
28. **Other Special Billing requirements?**
29. **Special Reporting Needs?**

# INTEGRATIONS

We believe that quality data is the first step to quality results. Intermedix employs a team of dedicated integration experts who stay apprised of the latest integration methods, build client customizations and ensure the transfer of accurate information.

**ePCR Integrations:** 90+ clients with 11million+ lifetime transports

**Hospital Integrations:** 400+ health systems with 2 million+ transports

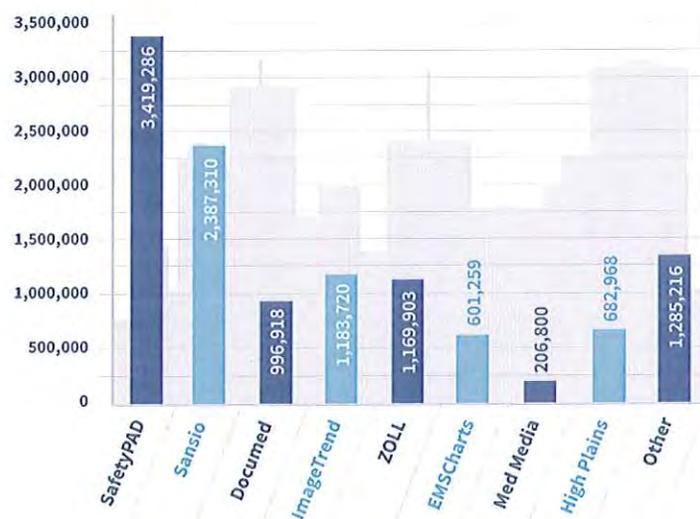
**CAD Integrations:** 50+ integrations with 10+ vendors

## ePCR INTEGRATIONS

We have the capability to integrate with a variety of ePCR solutions to streamline the receipt of data into our proprietary billing system, and are currently maintaining more than 90 client integrations. Our team includes clinical and coding experts who ensure the integration is accurate and compliant.

Current client integration count by ePCR vendor and lifetime transport counts

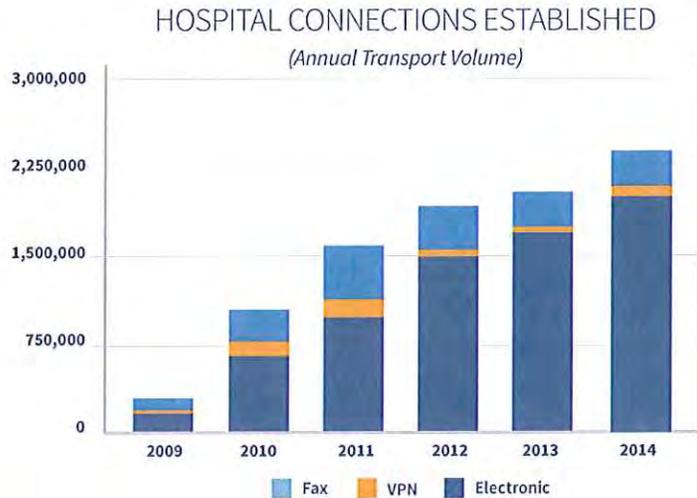
SafetyPAD		4 Clients
Sansio		16 Clients
Documed		13 Clients
ImageTrend		26 Clients
ZOLL		15 Clients
EMSCharts		6 Clients
Med Media		1 Client
High Plains		4 Clients
Other		7 Clients



## HOSPITAL INTEGRATIONS

We are committed to connecting with hospitals to ensure we have the most up-to-date patient demographic and insurance information. Since the inception of a team solely dedicated to integrations in 2009, we have significantly expanded our total hospital relationships. Today, we have connections covering more than 2.5 million transports and 400 hospitals.

The combination of our dedicated team and proprietary billing system allows us to accept hospital information in a variety of formats and support recent standards such as HL7.



## ACCOUNTS RECEIVABLE (AR) CONVERSIONS

We offer new clients a seamless transition to Intermedix by working with their previous billing vendors to move historical AR data into our system. Converting the accounts provides our clients with reporting, record retention and retrieval, vendor management efficiencies and additional collections.

**125 AR conversions completed, covering 3.7 million transports:**

- 1.1 million transports from ACS during the City of Philadelphia transition
- 170,000 transports from Sutherland during the City of Chicago transition\*  
\*resulted in an additional \$8.67 million in revenue
- Additional conversions from: Currey Adkins, EMS M&C, Wittman, Southwest General, Fidelis, Comstar, MBI, in house operations



## COMPUTER AIDED DISPATCH (CAD) INTEGRATIONS

We integrate with a number of CAD systems to import real-time dispatch data into our ePCR and EMS billing solutions. This check-and-balance reconciliation ensures that no transports are lost.

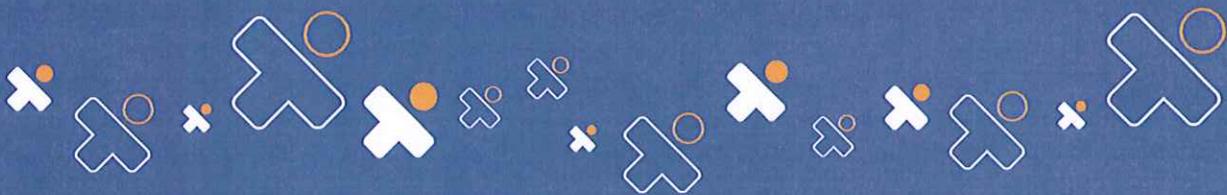
### NUMBER OF INTEGRATIONS PER VENDOR

Motorola Pintrac	11	Flight Vector	3	New World Systems	2	AlertsTS	2
Integraph	7	VisionAir	3	Sungard	2	Other	12
CRIMES	6	TriTech	2	Zoll	2		



Kerrville Fire Department

# Intermedix EMS Billing Process, Features and Functionality



# EMS BILLING SYSTEM FEATURES

## TECHNOLOGY FEATURES:

- A web-based system built on a highly configurable, permission-based structure
- Queue functionality which allows multiple user access without worry of duplication
- Automated batch eligibility inquiry, batch claim filing and denial management
- Automated skip tracking ability
- Interfaces that provide automatic links of data from receiving hospitals directly to patient accounts
- Barcode-enabled document management and workflow inventory module

## PROPRIETARY FUNCTIONALITY & SPECIAL FEATURES:

- Document scanning technology and proprietary image-enabled work flow module
- Proprietary patient statement configuration module provides highly customized language and template layouts
- A robust business rules engine that drives targeted language specific to a patient's account status
- Special barcode indexing of scanned documents, which are directly linked to accounts for easy accessibility
- Advanced data technologies which quickly find missing demographic and insurance information
- Hospital integrations built and managed by our specialized team which allow for automatic inbound feed of patient demographics and insurance
- High-Deductible monitoring tool

## BUSINESS INTELLIGENCE AND REPORTING:

- Business Objects reporting which provides in-depth standard monthly reports, analytics and specialty reports
- Ad hoc reports can be run without the need to contact Intermedix, or set up by your Intermedix Client Team and scheduled to run on a regular basis
- In-depth analytics are provided automatically from our system, and can be customized to meet each Client's needs

# INTERMEDIIX EMS BILLING PROCESS

The Intermedix EMS billing process is technologically advanced, customer-centric and supported by industry best practices. Our process encompasses the following phases:

- **PCR IMPORT**— This stage includes a full NEMESIS import from Zoll ePCR to bring all field data directly into the Intermedix billing system.
- **CODING** — Our compliant coding process begins immediately upon import and includes medical necessity determination, signature verification, confirmation of submitted mileage calculation, and a level of service determination facilitated by professional coders.
- **PATIENT RESEARCH** — After coding, the patient record will undergo data verification and authentication, electronic and manual eligibility verification, and outbound phone calls to self-pay patients for possible payers.
- **BILLING** — Next, we will submit claims to third-party payers and invoice patients, if necessary. Because billing follows our extensive patient research phase, our system reliably files clean claims. We track our adjudication success and denial rates to ensure that performance follows expectations.

Clean claim adjudication rate reflecting accounts paid after the first invoice = **80%**

Denial rate, including deductibles = **8%**

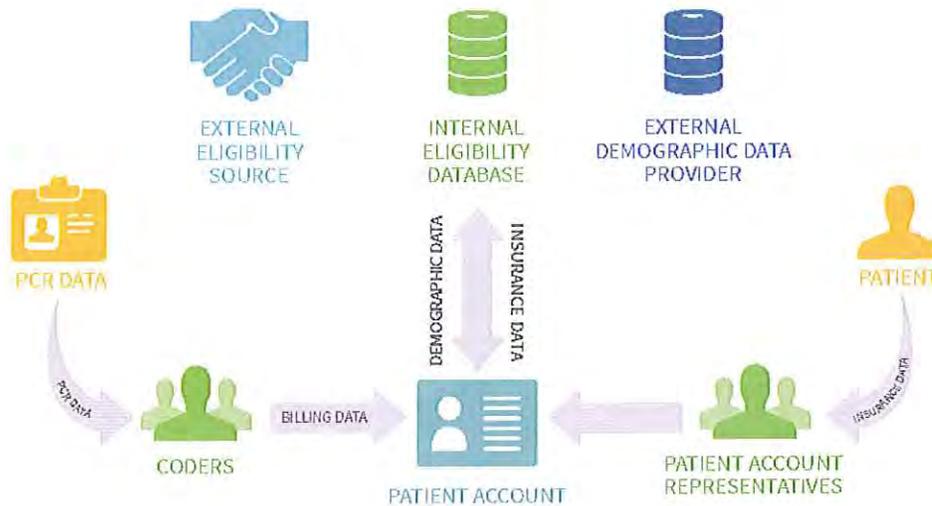
Electronic claims filing = **100% of the time electronic files are accepted**

- **PAYER RESPONSE** — When a response is received – electronically or on paper - we will post and reconcile payments and support follow-up with payers and patients. We accept payment from patients in several mediums, including credit cards on the phone or online.
- **ACCOUNT RESOLUTION** — During account resolution, we will process refunds, apply client policies for setting-up payment arrangements and identifying accounts for write-off or advanced collections.
- **UNPAID ACCOUNT STRATEGIES** — Our goal is to bring accounts to a zero balance and we have dedicated this phase of the process to contact non-responsive, uninsured patients and insurers, to facilitate alternate payment sources and payment plans (ie: credit card payoffs) to satisfy deductibles and outstanding charges prior to any third party collections activity.
- **THIRD PARTY COLLECTIONS** — Finally, we will submit secure electronic files to your chosen vendor with the information required for delinquent account collections. The patient record will reflect collections status at this phase. We also have the ability to receive data files from third party collections vendors into our billing system for full transparency of all activity within the patient record.

Throughout the billing process, Intermedix focuses on supporting you with a dedicated compliance program and experienced client service representatives. In-depth reporting makes both clinical and financial data available to you at any point in the revenue cycle.

# Billing Process Highlights

We use a combination of advanced technology and experienced representatives to efficiently prepare claims for submission. Claims with accurate information can move to the billing process as quickly as possible.



## PCR Import & Coding

We collaborate with virtually every ePCR vendor in the marketplace to capture electronic records directly into our billing system. We currently have 19 integrations with Zoll RescueNet ePCR, which can capture electronic records through an automated import.

Upon receipt, the transport is given a unique patient account number that corresponds with AmeriCare's internal account number. We import both electronic and paper PCRs into our proprietary front-end coding software and monitoring program that regularly checks a secured website for new transports.

Incident information will be captured directly into the Intermedix billing system from trips created in the field with your chosen ePCR solution. Through this integration, data can be automatically exported to us at a certain time during the day, reducing the amount of manual work that KFD and/or Intermedix have to do to get the claim submitted for payment. We have 26 clients for which we have provided this integration and have brought more than a quarter of a million (250k+) transports directly into our system via this interface.

In the event the electronic version is unavailable, Intermedix will enter the data from a paper PCR manually.

## CODING

Our coding application automatically performs data quality and integrity checks on all incoming data. When the system finds inconsistencies, it alerts our coders. In compliance with proprietary rules-based algorithms, a coder cannot save the claim until the issues are addressed. For example, we verify that demographic data contains elements such as patient address, social security number and date of birth.

We code the trip based on dispatch, assessment, crew member narrative and treatment data. The initial coding is done through our automated systems. After that, a coder manually reviews every account for accuracy and completeness, as well as verification that insurance information is consistent with payer specific requirements.

Intermedix coders are required to maintain a greater than 95% accuracy rating. We utilize the Medicare Level of Service Coding Guidelines unless they conflict with a local ordinance and coding is typically completed within one business day of receipt.

Coding every trip at the highest, compliant level of service for the care provided ensures that KFD is able to recover the cost of providing the service while remaining compliant with all of the rules and statutes that govern ambulance billing.

## MEDICAL NECESSITY REVIEW

The Intermedix billing system automatically performs data quality and integrity checks on incoming patient records. Intermedix will run all patient records received through our automated platform as an added layer of compliance verification prior to invoicing. For example, we will verify that demographic data contains elements such as patient address, social security number and date of birth. This automated platform is a proprietary system that uses algorithms and key data points to suggest medical necessity and diagnosis codes and uses the Medicare Level of Service Coding Guidelines unless in conflict with a local ordinance. We also review the account for medical necessity documentation using our proprietary contraindication codes and review required patient and crew credentials.

If we identify a discrepancy based on element of medical necessity, we will send the patient record for internal review. In compliance with our proprietary algorithms, the reviewer must resolve the issue before continuing to the next patient record. If the discrepancy is valid, we will send the patient record to a research request queue inside the billing system. From there, the reviewer has a variety of options to respond to the issue with next steps and can forward it back to the appropriate parties for resolution. This process allows for back and forth dialogue on patient records within the system, ensuring that the process is logged in the patient record.

## ICD-10 READINESS

On October 1, 2015, health care providers, health plans and health care clearinghouses were required to transition to ICD-10, the tenth revision of the International Classification of Diseases. To ensure systems and business processes were prepared for the implementation date, the Intermedix ICD-10 Committee has worked steadily from our ICD-10 readiness and implementation plan since July 2013. The result of this approach has been a system that is ready, coders that are educated about all aspects of the new coding array, and clients that are informed about what these changes mean for them. We remain committed to these goals and will continue to remain on the forefront of updates as they are released.

## MEDICARE SIGNATURE RECEIPT AND VERIFICATION

We will receive an electronic image of signatures from the field generated Zoll RescueNet ePCR, directly into our billing system to support billing documentation compliance for KFD.

To successfully document signatures, we implement a number of solutions:

- We link accounts without a valid signature to accounts for the same patient where we have a lifetime signature on file, or where there is an indication that the patient is deceased.
- We link Patient Unable to Sign (PUTS) and Representative Unable to Sign (RUTS) accounts to electronic medical records for the same incident that we have received from the hospitals.
- We run accounts against the SSA's "deceased" file to identify deceased patients.
- We send letters to patients with specifically targeted language asking for a signature.
- We work with hospitals to obtain a proxy signature per the Medicare regulation exception which allows certain other signatures to satisfy the signature rule.

Once the coder has manually reviewed the account, it is released to enter the Patient Research phase.

## Patient Research

We place intense operational efforts on our front-end processes with the primary goal of obtaining patient demographic and insurance information wherever it exists. Our billing methodology includes a combination of technology, personnel and processes designed to locate patient information from receiving facilities, insurance databases, transport records, skip tracing resources, and patient phone calls.

In addition, all returned mail is researched and sent through the same processes and sweeps performed on the initial transport to identify any additional information that may have become available.

## ELIGIBILITY VERIFICATION

We execute a series of insurance eligibility transactions to help retrieve appropriate insurance information.

To ensure the information is complete, we interface with external sources such as Medicare HIPAA Eligibility Transaction System (HETS), and various commercial partners. Our Hospital Liaison Program supplements this data by focusing on connecting with your receiving facilities to gather demographic and insurance information from their on-site registration staff to augment the data in our database.

## MASTERBANK PATIENT DATA REPOSITORY

We have developed a master database application within our proprietary billing system for internal eligibility sweeps. Our database runs each account against EVERY EMS patient in our database, ALL hospital data, ALL prior patient linkage, ALL patient information maintained by our Emergency Department billing database - more than 30 million records nationwide.

This application, combined with the fact that we will be gathering data from local hospitals, means that every one of AmeriCare's accounts will be run against our nationwide database, and it ensures that its claims will access local patient data in a real-time environment every time a run is submitted, thus increasing the opportunity to gather the necessary data to bill a claim accurately and efficiently the first time. Our long history in California means that more than 430,000 annual emergency department patient records are received into our billing system every year through hospital integrations.

We process more than 4 million transports a year for more than 300 clients. Our system will search all historical transports for patient information in case demographics and insurance information exist from a previous transport – wherever it occurred throughout the country.

## PATIENT OUTBOUND PHONE CALLS

When insurance information is still missing after the eligibility verification stage, Patient Account Representatives (PARs) contact the patient. We use advanced technology to call patients with a valid phone number and then automatically transfer connected calls to a PAR. If the patient is uninsured, the PAR requests payment at that time or attempts to initiate a payment plan for the patient. These call campaigns are customizable based on account attributes, patient demographics, number of attempts, days and times to call and many other attributes.

## SKIP-TRACING

Many times we are not only missing insurance information but patient demographics are incomplete as well. If the patient demographic information is not found during the initial search of our databases, we utilize Accurant to perform skip tracing. Eligibility and skip tracing activities are completed with quantitatively defined metrics that the data returned belongs to the patient in our system and billing specialists review all records.

To the degree that we capture valid information, we are able to bill the patient's insurance without ever having to contact the patient, thus achieving optimal customer service for the obvious reason that we do not have to bother your patient for information we are able to recover on our own.

### Patient Research Stats

Invoices paid & resolved without direct patient interaction = **61%**

Patient records in MasterBank = **>30 Million**

Outbound patient call connection rate = **35%**

## Eligibility Statistics

Intermedix offers a number of systems and tools in the front end process after a run report has been input into our system via ImageTrend's ePCR application, including skip tracing, eligibility clearinghouses, MasterBank proprietary database searches, and linkage with insurance companies and hospitals. As soon as crewmember submits a run, it is available for your staff to view and begin processing with the Intermedix Billing System. Each patient account can be sent through a series of eligibility transactions to retrieve all appropriate insurance information.

The most frequently used resources are Medicare, Medicaid, BCBS or cascading insurance eligibility clearinghouses like Change Healthcare (formerly Emdeon / WebMD) and ZirMed. Many times run reports are not only missing insurance information, but patient demographics are incomplete as well. If the patient demographic information is not found during the initial search of the available databases, our own internal Intermedix billing staff utilizes Accurint to perform skip tracing, a step that we assume KFD would utilize as well. Eligibility and skip tracing activities can be completed with a quantitatively defined confidence that the data returned belongs to the patient in the billing system.

We have also implemented a "MasterBank" application within our proprietary Intermedix Billing System for internal eligibility sweeps. **MasterBank runs each account against over 34 million accounts including EVERY EMS patient in our Intermedix database, ALL hospital data, ALL prior patient linkage, and ALL patient information maintained by our Physician billing database.** This enhancement means that every account run against our nationwide MasterBank database will access local patient data in a real time environment every time it submits a run – thus increasing the opportunity to gather the necessary data to bill a claim accurately and efficiently the first time – and at no added cost to KFD.

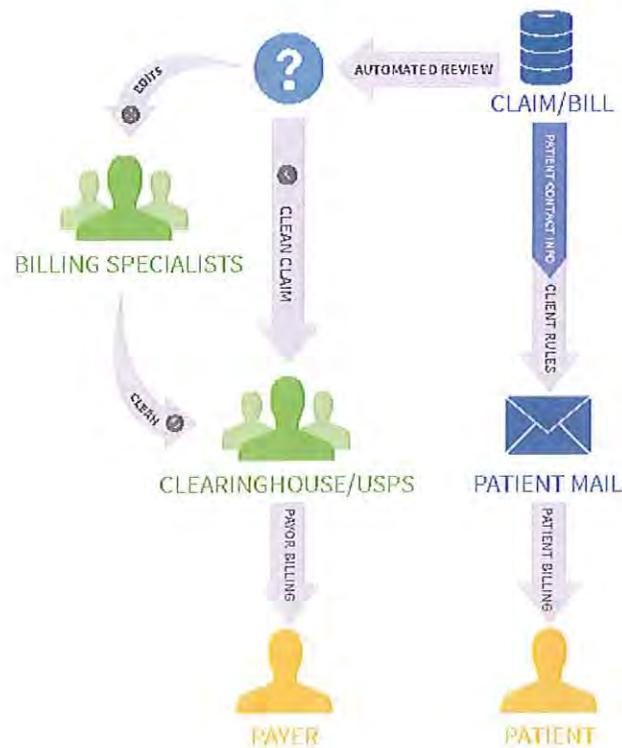
The following table reflects the eligibility and electronic claims submission process and the effect on days in A/R and payer payment times.

May 2016						
	Claims Matched to Remits – May 2016	Edit Pass Rate	Average A/R Days	Patient Ineligible Rate	% Patient Responsibility Portion of Claim	Average Days for Payer Payment
<b>Totals</b>	155,067	98%	50 days	4%	18%	14 days

# Billing

As soon as the necessary patient demographic and insurance information is obtained and the account updated, a claim will be sent out. Accounts can often be sent within 24 hours of PCR receipt when they contain correct patient demographic and insurance information. For accounts that do not contain the necessary information to file a claim to a third party payer, the duration may be longer to ensure that all resources are exhausted to try to locate and confirm valid payer information. Any claim that has not been identified to have a third party payer will be sent out on a self-pay bill schedule within the time limits required by KFD.

We use a combination of automated technology and billing specialist monitoring to ensure clean claims. The depth of our company makes it possible to communicate electronically with a large number of payers. Our customizable patient billing rules ensure a patient-centric billing process that follows the process shown below.



Prior to submission, we automatically review claims against our proprietary rules-based engine. Claims not passing the review are placed into a work queue and processed by team members. Our clearinghouse provides a second level of review for electronic claims. Inconsistencies caught by our clearinghouse are also reviewed by a billing specialist and updated in the Intermedix system.

Claims to Medicare, Medicaid and most commercial payers are transmitted electronically. We print and mail paper claims if electronic delivery is not available or when the payer requires hard copies of PCRs or explanation of benefits.

## PATIENT BILLING

Intermedix does extra work behind the scenes to ensure that we have gathered accurate patient contact information. We identify accounts with invalid addresses, as well as other data elements, and automatically apply our skip tracing process and implement manual research tools to find updated mailing address from our external demographic data provider, previous transports and hospital files.

Patient billing will follow the specific process designated by KFD. If insurance information has not yet been captured on the account, the statement will ask that the patient provide payment or insurance information, and instructs them on how to do so. Insurance information can be provided by the patient using the following methods:

- Returning the payment invoice with completed information on the back via regular mail
- Calling our toll-free customer service line
- Logging on to the patient portal on our website

If KFD enters into a merchant agreement with our online payment partner, patients will be presented with a “Make Payment” button through which they will be redirected seamlessly to the online payment site to update insurance and/or pay by credit card or electronic check.

Statement activity is generated automatically by the billing system, although authorized users can access and print statements on-demand as desired. For example, if a patient visits or calls your office requesting a copy of their statement, you can access the account and print the desired information for your patients. The patient statement wording is fully customizable to meet the needs of KFD.

The screenshot displays a web form for patient payment. At the top, a black banner reads "Test Mode Activated. Any transaction attempted will not be processed." Below this, the form is divided into two main sections: "Patient Information" and "Payment Information".

**Patient Information:**

- Fields for Patient Name (Texas Tech) and Email Address.
- Field for Patient Account Number (21341693).
- Field for Dates of Service (10/01/2014 to 10/31/2014).

**Payment Information:**

- Radio buttons for "DEBIT / CREDIT" and "BANK".
- Fields for Amount, Name on Card, Card Number, Expiration Date (MM/YY), Security Code, and Cardholder's Zip Code.
- Buttons for "CONTINUE" and "Cancel".

Intermedix has a flexible patient mail application that ensures clear and specific communication:

- We include account charge, payment and insurance information on invoices.
- We supply virtually unlimited patient statement wording variations.
- We automatically generate mail from the billing system.
- We allow authorized users to access and print statements on demand.

### Patient Research Stats

Average clean claim rate = **94%**

First invoice payment rate = **80%**

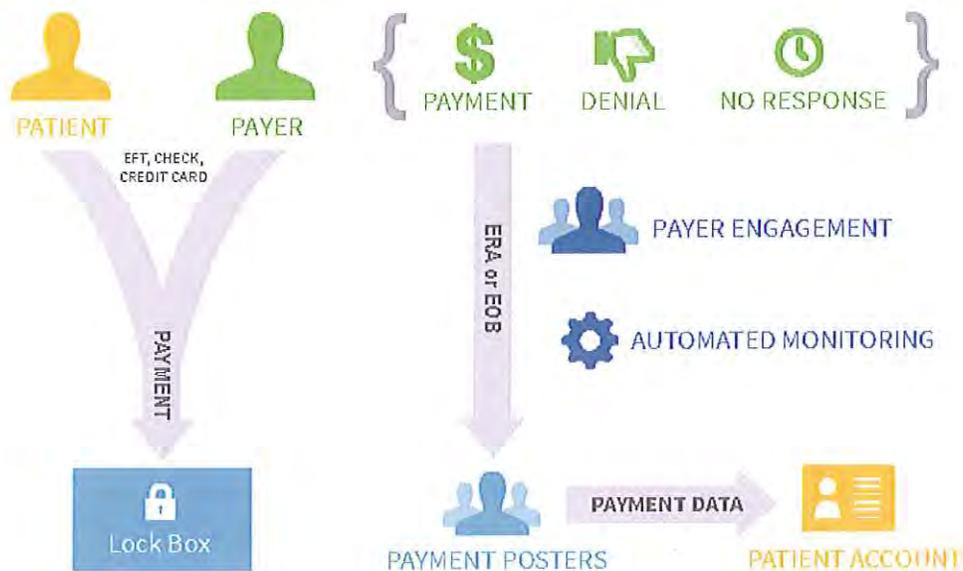
Claims submitted electronically = **100%\***

(\*to payers who accept electronic submission)

# Payer Response

Payer responses can vary significantly between the different pay classes. Medicare will typically respond within one to two weeks from claims filing, with Medi-Cal typically responding between two to three weeks from initial filing. Commercial insurance normally responds anywhere from two to five weeks from claims filing.

We understand that the majority of patient self-pay accounts are often difficult to collect due to a lack of patient motivation. Self-pay accounts that do get paid in full are typically paid between one to seven months from PCR receipt. Therefore, we follow the process shown below for payment receipt, posting and follow-up:



## PAYMENT POSTING

Upon receipt of payment documentation, our Payment Posters post payments to the account within one business day. We provide the tools necessary to receive payments through several methods, including electronic fund transfers (EFTs), checks and credit cards. We receive electronic payment from Medicare, Medicaid and most commercial payers and our Electronic Remittance Advice (ERA) Browser allows the Payment Poster to access and verify these responses.

When we receive hardcopy EOB documents instead of ERAs, a Payment Poster manually applies the payment with our web-based system. Credit card information received through the contact center or patient correspondence is processed by a Payment Poster online through Virtual Merchant.

We review every data element for accuracy and completeness before committing transactions to our database. We maintain an audit trail with the User ID to ensure the best quality assurance processes. If payments are received without identifying information, they appear in our Check Reconciliation Queue for follow-up. We research the payment with both the client and the entity that provided the payment, then post to the proper payment account. We can provide daily, weekly, monthly reconciliation with your bank account.

## SUPPLEMENTAL PAYER CLAIM FILING

Claims that contain supplemental payer information are submitted according to the established procedures after the initial payment is received. When dealing with Medicare crossover claims:

- We send claims to the supplemental insurer automatically.
- We automatically file a claim with the corresponding EOBs to the secondary payer on file if a secondary payment is not received in a predefined number of days.
- We automatically handle exceptions and adjust the remaining balance when Medi-Cal does not cover the remaining 20% responsibility.
- We file a claim with the supplemental insurer immediately upon receipt of Medicare's Electronic Remittance Advice when we have supplemental insurance (MediGap) on file, but Medicare has not crossed over the information to the payer.
- We file Medicare secondary claims electronically with all required information.

## DENIAL MANAGEMENT

Our goal is to file a clean claim the first time; however, denials do occur. In case of a denial, we initiate a series of actions specific to the denial reason. For example:

- If a claim is denied due to a policy number issue, we check a number of insurance eligibility sources and may contact the patient to obtain the correct insurance information.
- If a claim is denied for medical necessity reasons, we review the PCR to verify the original medical necessity determination.

Our denial rate is **6.4%**, and this includes denials for any reason.

Approximately **80%** of denials are related to coverage issues and about **15%** are related to short pay appeals to commercial payers.

We are committed to timely and accurate processing to improve cash flow, and address many denials automatically upon receipt. We are continuously expanding the payer and denial code combinations that can be handled automatically. Denials that are not processed automatically are addressed by Accounts Receivable resources through our Manual Denial Management Queue.

We engage in a number of activities to resolve accounts such as researching accounts, verifying electronic claim status, accessing payer websites and making payer phone calls. Once the problem has been identified, we update accounts and re-file claims when appropriate. The queue allows sorting by payer, so that our representatives can quickly resolve multiple claim issues for a single payer at the same time.

We appeal all short pays and correct any coverage related issues by re-verifying insurance with our bevy of technological and database tools.

Intermedix is successful on short pays approximately **35%** of the time, and we have seen a marked increase in commercial short pays over the last 24 months as payers are shifting more responsibility to the patient.

We feel very confident that when we submit a transport for payment to governmental payer, we have determined that it meets the rules for Medical Necessity, Level of Service, Medicare Signature Requirements, and any remaining submittal requirements. Thus, any account that would subsequently be denied is appealed. This is typically not a large volume and usually requires only a trip report being sent to the payer.

### **Payer Response Stats**

Credit card or e-check payment success rate = **\$80** per uninsured account\*

*(\*compared to \$18 for clients who do not offer online payment options)*

Primary claims filed = **55,000** per week

Monthly inbound calls = **55,600** calls

Average speed to answer = **17** seconds

## **Patient Response**

We offer a number of methods for the patient or patient representative to respond to requests for insurance or payment. For example, they can contact us by mail, through a customer service toll-free phone line or on our secure patient website. We recommend that clients use an online payment solution to significantly increase collections.

Our professionally staffed Patient Contact Center is focused solely on interacting with EMS transport patients. Our representatives handle both insurance and self-pay arrangements. Patients can use a toll-free number to access the Contact Center, which takes calls between 8:00 a.m. and 5:00 p.m. Pacific Time. The Contact Center uses the latest telephony technology, including skills-based routing by call type and language preferences.

We have a number of bilingual Contact Center representatives for foreign language calls with fluency in many languages including Spanish, Chinese Dialects, French, Creole and others. Translation services are also available where patient account representatives can dial in the vendor for a live conference with a translator for one of the 200+ supported languages.

## RECONCILIATION

We provide detailed month-end reports that include all payments, write-offs and adjustments. We reconcile with the date of transport, monthly bank deposits, credit card payments and the month-end total. Checks and balances occur at numerous levels throughout the payment posting process to ensure that all money posted balances at the end of each day. Daily “batch” reporting is reviewed to verify the total amount of money posted each day.

## REFUNDS

When a credit balance occurs, Payment Posters provide the payment record to a Refund Processor for follow-up. The Refund Processor then researches the claim, gathering supporting documentation from our billing system, which may include the EOB and copies of the original check from the payer. After the credit balance is confirmed as a legitimate overpayment or duplicate payment, the Refund Processor completes the necessary refund request documentation.

## Unpaid Account Strategies

We continuously look for new ways to leverage technology and processes that will help us increase our ability to collect on unpaid accounts before considering third party collections.

## APPEALS

Intermedix offers several important advantages surrounding appeals:

- We review each payment received from a third party to ensure accurate reimbursement.
- We identify problematic patterns and proactively involve our EMS Compliance Officer to work directly with the carrier to get them resolved.

When we receive no payment:

- We immediately appeal any timely filing denials with proof showing when we received the insurance information and filed the claim.
- We submit a new claim with the proof of eligibility for patients who receive retroactive Medicaid coverage.

## Aged Accounts Receivable

We have developed monitoring tools that allow us to follow-up on claims that have not been paid in the expected timeframe. Our staff is assigned to these work queues to avoid cases where claims are submitted without a payer response. Accurate data mining of denials is the most critical element of our denial management process.

This “Claims Status Monitor” queue monitors activity on accounts with primary and secondary insurance, an open status, and a balance that is not equal to zero. It recognizes the insurance process date and searches for a response from the payer.

### PROTOCOLS FOR ACCOUNT ADJUSTMENTS

We work with each client to define and implement a core set of reasons for adjustments and write-offs; however, we can implement additional reasons that better fit KFD reporting operations as these reasons are identified during the contract.

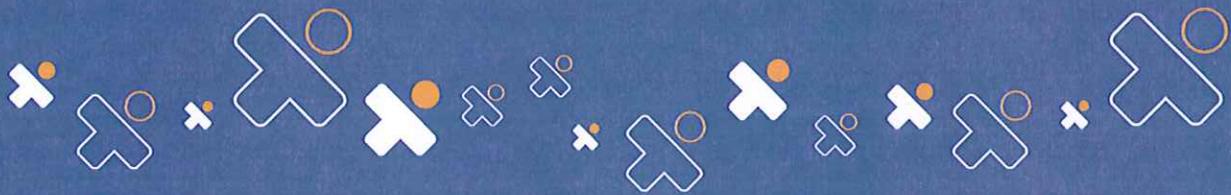
## Third-Party Debt Collections

After exhausting all efforts—including applying payments, adjustments and write-offs—accounts with open balances may become eligible for advanced collections. After a final review to ensure no recent account activity, we will send the patient an invoice warning them that the account will potentially be sent to collections if left unpaid. Then, upon written direction by KFD, we will release the account to collections by electronically providing the designated vendor with the necessary data to perform collection services.

We also have the ability to receive export files into our billing system so that even delinquent account payment activity is reflected in the patient record.

Kerrville Fire Department

# Price Proposal



# INTERMEDIX PRICING

The fully outsourced pricing was developed using the volumes submitted by KFD.

<b>Service</b>	<b>Pricing</b>
Intermedix EMS Billing and Collections	5.75% of net collections*

\*Net Collections is defined as total cash collections less refunds and is billed monthly on the basis of collections for the current month.

The price bid herein shall include all expenses of billing and collection including, but not limited to, stationery, forms, envelopes, postage, and phone facilities.

*Patrick Hart*

Director, Business Development



[www.intermedix.com](http://www.intermedix.com)

## **Agenda Item:**

5D. Recognize notice of voluntary resignation of Todd Parton, City Manager.  
(staff)

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

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**SUBJECT:** Recognize notice of voluntary resignation of Todd Parton, City Manager

**FOR AGENDA OF:** Sep. 27, 2016      **DATE SUBMITTED:** Sep. 23, 2016

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

**EXHIBITS:**

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** 

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<b>Expenditure Required:</b>	<b>Current Balance in Account:</b>	<b>Amount Budgeted:</b>	<b>Account Number:</b>
<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE FINANCE DEPARTMENT:**

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**SUMMARY STATEMENT**

In a letter dated September 22, 2016, City Council received written notice of my voluntary termination of employment with the City of Kerrville. This notice provides for my separation after October 23, 2016.

**RECOMMENDED ACTION**

It is recommended that the City Council recognize the voluntary resignation effective October 23, 2016.

## **Agenda Item:**

5E. Consideration regarding the appointment of an Interim City Manager. (staff)

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

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**SUBJECT:** Consideration regarding the appointment of an interim city manager

**FOR AGENDA OF:** Sep. 27, 2016      **DATE SUBMITTED:** Sep. 23, 2016

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

**EXHIBITS:**

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** 

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<b>Expenditure</b>	<b>Current Balance</b>	<b>Amount</b>	<b>Account</b>
<b>Required:</b>	<b>in Account:</b>	<b>Budgeted:</b>	<b>Number:</b>
<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE FINANCE DEPARTMENT:**

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**SUMMARY STATEMENT**

This item has been placed on the agenda to allow City Council to discuss and provide direction to city staff on the possible appointment of an interim city manager.

**RECOMMENDED ACTION**

City staff has no recommendations.

## **Agenda Item:**

5F. Consideration of the process to be used for the recruitment and selection of a City Manager. (staff)

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

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**SUBJECT:** Consideration of the process to be used for the recruitment and selection of a city manager

**FOR AGENDA OF:** Sep. 27, 2016

**DATE SUBMITTED:** Sep. 23, 2016

**SUBMITTED BY:** Todd Parton  
City Manager

**CLEARANCES:**

**EXHIBITS:**

**PAYMENT TO BE MADE TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** 

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<b>Expenditure</b>	<b>Current Balance</b>	<b>Amount</b>	<b>Account</b>
<b>Required:</b>	<b>in Account:</b>	<b>Budgeted:</b>	<b>Number:</b>
<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	

**REVIEWED BY THE FINANCE DIRECTOR:**

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**SUMMARY STATEMENT**

This item has been placed on the agenda to allow City Council to discuss and provide direction to city staff on the process to be used for the recruitment and selection of a city manager.

**RECOMMENDED ACTION**

City staff has no recommendations.

## **Agenda Item:**

6A. Budget and economic update. (staff)



Status of key Community Investment Plan projects include:

- River Trail, evaluation for west portion of River Trail from Lowry to Guadalupe Park continues;
- Athletic Complex project, dirt work by third-party continued, walk through to be conducted before to City begins construction;
- Reuse - Design is in the final design stages with projected bid opening by end of summer.

Permits issued for new residential locations fiscal year-to-date were 70.

Value of commercial permits issued in August \$409,000. Commercial permits issued for new locations and major remodels are an estimated value of \$31,019,014 fiscal year-to-date. Values of these sites will be reflected on the property tax roll upon completion in the following tax year.

Real estate transactions remain steady with a moderate inventory available. Unemployment at national, state, and local levels has remained at a relatively low percentage for several months.

#### **RECOMMENDED ACTION**

Information purposes only, no action required.

**City of Kerrville**  
**Month ending August 31, 2016**  
 (Month 11 of FY2016)

	Current Month	Year To-Date	Budget @ 91.66%	Prior Year To-Date	change from prior year
<b>General Fund</b>					
<b>Total Revenues</b>	<b>\$ 1,227,071</b>	<b>\$ 23,094,618</b>	93.92%	<b>\$ 23,191,371</b>	-0.42%
Property tax	\$ 54,085	\$ 8,790,986	98.95%	\$ 8,550,932	2.81%
Sales tax	\$ 580,084	\$ 5,830,344	93.22%	\$ 5,698,623	2.31%
<b>Total Expenditures</b>	<b>\$ 1,639,722</b>	<b>\$ 20,301,252</b>	82.02%	<b>\$ 21,167,169</b>	-4.09%

<b>Water and Sewer Fund</b>					
<b>Total Revenues</b>	<b>\$ 1,214,974</b>	<b>\$ 10,552,101</b>	89.87%	<b>\$ 8,257,279</b>	27.79%
Water Sales	\$ 662,787	\$ 4,774,940	85.44%	\$ 4,369,843	9.27%
Sewer Service	\$ 466,138	\$ 4,790,397	88.51%	\$ 4,692,725	2.08%
<b>Expenditures</b>	<b>\$ 754,329</b>	<b>\$ 9,528,676</b>	81.15%	<b>\$ 10,301,567</b>	-7.50%

<b>Hotel/Motel Fund</b>					
<b>Revenues</b>	<b>\$ 127,326</b>	<b>\$ 1,024,527</b>	100.56%	<b>\$ 990,211</b>	3.47%
<b>Expenditures</b>	<b>\$ -</b>	<b>\$ 960,474</b>	95.00%	<b>\$ 937,184</b>	2.49%

<b>Community Investment Plan</b>	Project Budget	Current Month	P-T-D Expense	Budget Balance
River Trail	\$ 6,000,000	\$ 35,472	\$ 5,001,351	\$ 998,649
Athletic Complex	\$ 10,500,000	\$ -	\$ 124,493	\$ 10,375,507
Reuse - Design	\$ 3,000,000	\$ 294,546	\$ 1,234,526	\$ 1,765,474
Reuse - Construction	\$ 18,500,000	\$ -	\$ -	\$ 18,500,000

<b>Development Services:</b>			<b>Housing (August)</b>	
Residential # of permits	Commercial permits value			
Oct 11	330,680		<i>Local:</i>	
Nov 5	17,000		546 active residential listings; 73 residential sales August 2016	
Dec 6	52,000		\$17,863,384 total residential sales dollars for August 2016	
Jan 8	559,099		\$1114,692,788 total residential sales dollars Y-T-D for 2016	
Feb 9	1,372,500		(Source: Kerrville Board of Realtors)	
Mar 4	4,219,630			
Apr 4	340,466			
May 9	2,304,700		<b>Unemployment: (July)</b>	
June 5	21,413,939		National	5.1%
July 5	0		Texas	5.1%
Aug 4	409,000		Local	4.1%
Sept _____	_____		(Source: Texas Workforce Commission)	
YTD 70	31,019,014			

# **Agenda Item:**

7A. Building Board of Adjustment and Appeals

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

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**SUBJECT:** Appointments to the Building Board of Adjustment and Appeals

**FOR AGENDA OF:** September 27, 2016    **DATE SUBMITTED:** September 16, 2016

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

**EXHIBITS:** Board List

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** 

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**SUMMARY STATEMENT**

Consider appointments to the following board:

**Building Board of Adjustment and Appeals:**

Four regular positions, and one alternate position that expired 08/31/2015; Three regular positions and one alternate position that expired 08/31/2016.

**RECOMMENDED ACTION**

Consider appointments.

**BUILDING BOARD OF ADJUSTMENT AND APPEALS**

		<u>Telephone</u>	<u>Orig. Appt.</u>	<u>Re-Appt. Date</u>	<u>Exp. Date</u>
i	MICHAEL WALKER Architect	895-2724	02-25-14		08-31-15
ii	HEWITT, JOHN 100 Horseshoe Ridge Professional Engineer	315-8800 (O) 285-7925 (H)	08-23-11	12-10-13	08-31-15
iii	LUCK, CALVIN 1200 Spur 100 Master Electrician	830-928-1459 (O) 896-9333 (H)	09-14-10	01-13-15	08-31-16
iv	TREMPER II, CHARLES 702 Fay Dr. Master Plumber	739-4194 (O) 730-4194 (H)	09-14-10	01-13-15	08-31-16
v	UNDERWOOD, LEE 807 Rim Rock S. Mechanical Contractor	896-4083 (O) 896-4083 (H)	09-14-10	01-13-15	08-31-16
vi	BLEDSON, KENNETH 1308 Paragon Place Contractor	377-8300 (O) 896-8845 (H)	09-14-10	12-10-13	08-31-15
vii	DOWNEY, DWAYNE 737 Rim Rock Road Active Construction Industry	257-1770 (O) 377-2087 (H)	09-14-10	12-10-13	08-31-15
<u>ALTERNATES:</u>					
(*)	COON, DALLAS 921 Prescott Street	285-5177 (O)	01-13-15		08-31-16
(*)	PRIOR, JOHN 132 Cedar Drive E.	792-5900 (O) 739-5900 (H)	09-14-10	12-10-13	08-31-15

CITY STAFF:

Danny Batts 258-1178 (O)  
Director of Building Services

Qualifications:

Members shall be composed of the following:

- i an architect licensed to practice in the state;
- ii a professional engineer licensed to practice in the state;
- iii a master electrician licensed to practice in the state;
- iv an unrestricted master plumber licensed to practice in the state;
- v a mechanical contractor with a Class A state license;
- vi a person licensed by the city as a contractor;
- vii a person that is active in the construction industry; provided, however, if the city council determines that there is no architect or professional engineer available to serve on the board, then council shall select a second person meeting this description to serve.

Alternate board members shall attend all meetings and are subject to the attendance requirement applicable to the board; however, alternate members shall serve only in the absence of one or more regular members and shall then act as a regular member for that entire meeting. Members shall be residents of the county and operate or be employed by a business located within the city; however, no two (2) members, regular or alternate, may be employed by or have an ownership interest in the same business or firm.

**Powers and Duties:**

- (1) To hear appeals of decisions and interpretations of the chief building official and fire code official and to consider variances to the standardized building codes as more specifically described in Sec. 26-251 of Ordinance No. 2010-15. No appeal may arise out of the city's issuance of citation for violation of any of the standardized building codes as the procedure for the consideration and decision regarding citations is solely under the purview and authority of the municipal court. In addition, the board shall have no authority to waive, and is prohibited from waiving, any requirement of the standardized building codes; and
- (2) Recommend amendments to this chapter; any standardized building code adopted by the city council; or any other code, application, or process applicable to the city's review, application, interpretation, and enforcement of the standardized building codes with the goal toward addressing any deficiencies, voids, inconsistencies, inefficiencies, or technical errors; and
- (3) To hear appeals, issue orders, and fulfill other duties pursuant to the authority established in Article VII of this Chapter for unsafe building abatement.

**Term of Office:**

Two years. No regular member shall serve more than two consecutive full terms on the board without having at least one full year off of the board between terms; provided, however, if the city council finds that it has not received applications from other qualified candidates, the city council may reappoint an incumbent member of the board notwithstanding the restrictions of this subsection.

**Quorum:**

Four members

**Number of Members:**

Seven members, and two alternates

**Officers:**

The board shall elect a chair and vice-chair who shall be appointed from among its voting members. The board shall appoint such officers at the first meeting of the board held after September 1 of each year. Officers shall serve a term of one year and all such terms shall end on August 31 after the date of election or until a successor is elected, but in every case each subsequent term shall end on August 31. An officer of the board may not serve in the office elected for more than two consecutive terms.

**Meeting Time & Place:**

At least quarterly at the call of the chair, City Hall

**Absences:**

As established in the Procedural Rules for Kerrville City Boards.

**Established by:**

Ordinance No. 2010-15

**Revised:**

July 11, 2016

- (\*) alternate members shall be qualified as one of the following: master electrician, master plumber or mechanical contractor.