

CITY COUNCIL MINUTES
REGULAR MEETING

KERRVILLE, TEXAS
OCTOBER 12, 2010

On October 12, 2010, the Kerrville City Council meeting was called to order by Mayor Wampler at 6:00 p.m. in the city hall council chambers, 800 Junction Highway. The invocation was offered by Reverend Stockton Williams, Church Rector, St. Peter's Episcopal Church, followed by the Pledge of Allegiance led by Dick Weaver, Military Officers Association of America.

MEMBERS PRESENT:

David Wampler	Mayor
R. Bruce Motheral	Mayor Pro Tem
T. Scott Gross	Councilmember
Stacie Keeble	Councilmember

MEMBER ABSENT:

Gene Allen	Councilmember
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STAFF PRESENT:

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

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

1. VISITORS/CITIZENS FORUM: No one spoke.

2. CONSENT AGENDA:

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

2A. Approval of the minutes of the city council meetings held on September 23, and September 28, 2010.

2B. Authorize the purchase of twelve Arbitrator mobile digital audio/video camera systems for the police department, from Portable Computer Systems, in an amount not to exceed \$57,000.

2C. Authorize the execution of a three year geographic information system enterprise license agreement with Environmental Systems Research Institute, Inc. in the amount of \$25,000 per year.

END OF CONSENT AGENDA

5C. Update on the general obligation refunding bonds, Series 2010.

Ann Burger Entekin, First Southwest Company, the city's financial advisor, noted the parameters established on September 28 had been accomplished and the debt would be issued in the next few weeks in the par amount of \$4,455,000 at an average coupon rate of 3.559% with maturity date of 2011-2017 resulting in an estimated gross savings of \$228,739.03.

The ordinance had passed on first and only reading on September 28; no action was taken by council at this time.

3. PUBLIC HEARING AND RESOLUTION:

3A. Resolution No. 036-2010 approving a second amendment to the development site plan for an approximate 2.25 acre tract of land out of the Samuel Wallace Survey No. 114, Abstract No. 348, Kerr County, Texas, located in a residential cluster "RC" zoning district and adjacent to Pinto Trail.

Mr. Coleman noted that current zoning allowed single family development; however, the existing site plan designated multi family or shared use to allow 21 duplexes. The new property owner proposed an amendment to the site plan that would allow 12 single family homes. Staff and the planning and zoning commission (P&Z) found the proposed single family development to be compatible with the area and recommended approval of the resolution to allow single family development as stated in the amended development site plan. Staff received two letters from neighbors stating their concerns regarding traffic, drainage, and potential flooding. He noted that approval of the amendment to the development site plan did not constitute approval of the preliminary plat, which would address several issues, including a site drainage plan.

Council also noted the following points:

- The proposed project would allow less density than permitted in the existing site plan, thereby creating less traffic.
- The developer was required to provide a drainage site plan that would have to be approved by staff and P&Z, and address other issues in the preliminary plat, prior to construction.

Mayor Wampler declared the public hearing open at 6:12 p.m.; no one spoke; Mayor Wampler closed the public hearing at 6:13 p.m.

Mr. Motheral moved for approval of Resolution No. 036-2010; Mr. Gross seconded the motion and it passed 4-0.

4. PUBLIC HEARING AND ORDINANCE FIRST READING:

4A. An ordinance creating a "planned development district" (PDD) for dwelling, multi-family (apartment) and professional office on an approximately 1.2 acre tract of land, being Lots 3 through 8, inclusive, Block 27 of the J.A. Tivy Addition, a subdivision within the City of Kerrville, Texas, and otherwise known as 1001 Jefferson Street; adopting a concept plan and conditions related to the development of said district; containing a cumulative clause; containing a savings and severability clause;

establishing a penalty or fine not to exceed \$2,000 for each day of violation of any provision hereof; ordering publication; and providing other matters relating to the subject. Mayor Wampler read the ordinance by title only.

Mr. Coleman noted the owner proposed to establish the Jefferson Street House as a professional office building, and construct three two-story apartment buildings on the 1.2 acre site. The current zoning of "RT" residential transition would allow professional office use permitted by right; the apartment use would require a conditional use permit (CUP); however, staff proposed a PDD instead of a CUP as a means to develop the tract as a single project under one ordinance. Under the zoning ordinance, a two acre minimum was required for a PDD; the proposed project consisted of only 1.2 acre. The existing Jefferson Street House was non-conforming as it did not meet the front yard setback requirement of 25 feet (currently 11 feet and proposed to be 11-18 feet). The proposed development narrowly met the minimum standards for density, separation, and other setbacks.

P&Z had discussed several issues:

- The Jefferson Street House was one of only a few remaining Victorian houses; they recommended incorporating the appearance, character and style of the house to the proposed apartments; the proposed elevations of the three apartment buildings should be a requirement of the PDD.
- Add provision for continuous screening along the rear alleyway.
- Keep the Texas State Landmark status of the existing Jefferson Street House.
- Density of the property and the number of units.
- Not enough off-street parking.

Mr. Coleman noted that P&Z voted 0-4 against recommending the PDD to city council and felt the project needed more review.

Mayor Wampler declared the public hearing open at 6:20 p.m., and the following persons spoke:

1. Charles Gray, neighbor and property owner, stated he was opposed to the proposed apartments and noted several incidents at the subject property. The RT zoning provided a buffer around the school located one block to the east.
2. Dave Tritenbach supported the project and noted it restored a historic building, provided residential housing in the downtown area, and was compatible with the neighborhood.
3. David Naredo, architect for the project, reviewed the conceptual design of the project and noted the following: continue to fence the property to tie the project together; remove parking along the streets and create more green space; could move Buildings 1 and 2 back further and provide more green space; the Victorian house should be preserved; maintain integrity of neighborhood; screening would be the length of the alley; plan provided 8 more parking spaces than was required; and all buildings were being used.

Mayor Wampler closed the public hearing at 6:27 p.m.

Council also discussed the following:

- Questioned why density was a concern of P&Z. Mr. Coleman noted the number of units proposed and their proximity to neighboring property on Tivy Street was a concern; however, the project met the maximum density standard.
- Suggested additional screening and a greater site distance at the Jefferson/Tivy intersection.

Mr. Gross moved for approval of the ordinance on first reading with amendments to address screening, security lighting, and setback requirements on Buildings 1 and 2; Mr. Motheral seconded the motion and it passed 4-0.

5. CONSIDERATION AND POSSIBLE ACTION:

5A. Request from Bruce Stracke to adopt Appendix O gray water recycling systems of the International Residential Code (IRC).

Bruce Stracke, Corner Canyon Homes, requested council instruct staff to prepare an ordinance adopting Appendix O of the IRC to allow the use of gray water for landscape irrigation and cited potential benefits: support water conservation and reduce costs to the city, e.g. energy, wastewater treatment, and water storage tanks. He noted the adoption of Appendix O could reduce the use of potable water by as much as 40% depending on the type of system installed and wanted to offer recycling systems to potential clients.

Council also discussed the following:

- The same benefits could be accomplished through rain water catchment systems.
- Adoption of Appendix O would eliminate an income source for the city by reducing the amount of effluent; the city had contractual commitments for the sale of all effluent currently available.

The following persons spoke:

1. Carolyn Lipscomb questioned if homes would have separate lines for gray water. Mr. Stracke noted that water passing through sinks and toilets could not be used.
2. David Lipscomb asked if any statistics were available on how much water could go into a grey water system. Mr. Stracke noted potable water usage could be reduced by 40% depending on the type of system installed.

Mr. Gross moved to refer the matter to the building board for review and recommendation and to be scheduled on a future city council agenda; Ms. Keeble seconded the motion and it passed 4-0.

5B. Request to extend utilities from Town Creek and Old Harper Road up to Harper Road.

Ms. Ondrias noted the city had contracted to construct water and wastewater lines to the James Avery Craftsman (JAC) campus on Harper Road. The city had since received requests from several property owners to extend those utility lines at Town Creek and Old Harper Road west to Harper Road. Staff recommended the line extension also be upgraded from 8" to 12" in order to increase fire flow and serve

future expansion in the area. She reviewed the steps necessary to extend the utility lines as proposed, i.e. TxDOT permits to bore under Harper Road, county approval to place lines in their right of way, and acquire an easement at the corner of Harper Road and Old Harper Road. She also noted the following:

- The contractor submitted a price estimate of \$185,000.00.
- The property owner at Harper Road and Old Harper Road expressed willingness to grant the easement but wanted assurance that his property would not be annexed; he was concerned about the potential loss of income from the fireworks stand if his property was in the city limits.
- Two other property owners on Harper Road requested utility extension and provided easements.
- The city's policy for extending water and wastewater service outside the city required annexation. Staff discussed possible voluntary annexation through a development agreement with one property owner who may be interested in annexation in exchange for water and wastewater service. If an owner did not request annexation, the city had two options: 1) involuntary annexation of property needed; or 2) development agreements with property owners requesting utility service that would allow annexation to be delayed until the properties were contiguous to the city, and the city provide utility service at the 1.5 out of city rate until the time of annexation.
- All permits, easements, and development agreements should be finalized prior to staff bringing a change order to city council for consideration.

Ms. Ondrias offered several payment options for the line extension:

- City fund the full cost of extending utilities thereby developing one of the main corridors to I-10 as an economic development project; such funding could come from bond funds or through application to the economic improvement corporation.
- Property owners requesting utility service pay the cost of extending the line to their property. The city subdivision code stated it was the responsibility of the property owner to pay the cost to extend services to their property.
- City fund the project up front and assess the cost of the line to property owners when they tie on to the line.

The council also discussed the following:

- Utilities were necessary in order to develop the I-10 corridor; this project had the potential of opening about 150 acres for development.
- This area was not in the city; any delayed annexation should be limited to a specified time period.
- Treat all requests the same; apply standards uniformly and not just accommodate one potential project. If utility extension is provided by the city based on potential economic development, do so equally.
- A policy change may be necessary to accommodate potential growth.
- The city should move quickly to provide utilities and not drag out the process as potential development was possible.

It was the consensus of city council to do the following:

1. Extend the line from Town Creek and Old Harper Road up to the west side of Harper Road.
2. Prefer a development agreement stating annexation would be delayed for the fireworks stand until surrounding areas were annexed in exchange for the necessary utility easement.
3. Prefer development agreement, not involuntary annexation.
4. City would not charge the living unit equivalent cost of the JAC line from these property owners.
5. City not pursue assessment of cost of line to property owners.
6. City bear the cost for a 12" line.

5C. Update on the general obligation refunding bonds, Series 2010. (Issue discussed earlier in the meeting.)

6. INFORMATION AND DISCUSSION:

6A. Kerrville budget/economic update.

Mr. Erwin reported a 2.7 increase in sales tax over October 2009, and hotel occupancy tax was down 6% from September 2009. General fund revenue was at \$20.8 million and expenditures at \$21.4 and \$600,000 had been used from the fund balance.

7. BOARD APPOINTMENTS:

7A. Appointments to the Zoning Board of Adjustment.

Ms. Keeble moved to reappoint William Morgan and Robert Irvin as regular board members; and to appoint Parker Harrison as an alternate member all with terms to expire September 30, 2012. Mr. Motheral seconded the motion and it passed 4-0.

7B. Appointment to the Kerr Emergency 9-1-1 Network Board of Managers.

Mr. Motheral moved to reappoint William E. Price with term to expire September 30, 2012; Mr. Gross seconded the motion and it passed 4-0.

8. ITEMS FOR FUTURE AGENDAS: None.

9. ANNOUNCEMENTS OF COMMUNITY INTEREST:

- Mr. Motheral reported on the Alamo Area Regional Planning Organization meeting in San Antonio; AARPO discussed the state's billions of dollars shortage for highway projects and potential funding options. A very small amount of money was available for a few projects and TxDOT requested each county submit a prioritized list of projects in order to prepare a highway program; the mayor and city manager should meet with the county judge to ensure that the city's needs were included.

- Ms. Keeble reported the Salvation Army's Gala would be held on October 23 and the Kroc Center would open thereafter.

10. EXECUTIVE SESSION:

Mr. Gross moved for the city council to go into executive closed session under Section 551.071 (consultation with attorney) of the Texas Government Code; the motion was seconded by Ms. Keeble and passed 4-0 to discuss the following matters:

Section 551.071:

- Contemplated litigation involving a claim against C & C Groundwater Services.
- Contemplated claim and/or litigation involving Carter and Burgess dba Jacobs Engineering.

At 7:44 p.m. the regular meeting recessed and council went into executive closed session at 7:45 p.m. At 8:03 p.m. the executive closed session recessed and council returned to open session at 8:04 p.m. The mayor announced that no action had been taken in executive session.

11. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION

Contemplated claim and/or litigation involving Carter and Burgess dba Jacobs Engineering.

Mr. Motheral moved for approval to enter into a settlement agreement with Carter and Burgess dba Jacobs Engineering in the amount of \$65,055.32; Mr. Gross seconded the motion and it passed 4-0.

ADJOURNMENT. The meeting adjourned at 8:05 p.m.

APPROVED: _____

David Wampler, Mayor

ATTEST:

Brenda G. Craig, City Secretary