

AGENDA FOR REGULAR MEETING

KERRVILLE CITY COUNCIL

TUESDAY APRIL 12, 2011, 6:00 P.M.

CITY HALL COUNCIL CHAMBERS

800 JUNCTION HIGHWAY, KERRVILLE, TEXAS

KERRVILLE CITY COUNCIL AGENDA
REGULAR MEETING, TUESDAY, APRIL 12, 2011, 6:00 P.M.
CITY HALL COUNCIL CHAMBERS
800 JUNCTION HIGHWAY, KERRVILLE, TEXAS

CALL TO ORDER

INVOCATION offered by Reverend Tom Murray of St. Peter's Episcopal Church.

PLEDGE OF ALLEGIANCE TO THE FLAG led by Bill Nolan of the Military Officers Association of America.

1. VISITORS/CITIZENS FORUM:

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

2. PRESENTATIONS:

2A. Acceptance of gift in memory of Robert Rector, presented by Clarabelle Snodgrass and the Rector Family.

3. CONSENT AGENDA:

These items are considered routine and can be approved in one motion unless a councilmember asks for separate consideration of an item. It is recommended that council approve the following items which will grant the Mayor or City Manager the authority to execute all documents necessary for each transaction:

3A. Approval of the minutes of the regular city council meetings held March 8 and March 22, 2011. (Staff)

3B. Authorize the city manager to execute a construction contract for the Butt-Holdsworth Memorial Library roof replacement project with Apex Enterprises, Inc. in an amount not to exceed \$112,562. (Staff)

3C. Approval of investment policy for the City of Kerrville, Texas, Economic Improvement Corporation. (Staff)

3D. A resolution granting a peddler license for use of the city's right-of-ways. (Staff)

END OF CONSENT AGENDA

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: April 8, 2011 at 3:00 p.m. and remained posted continuously for at least 72 hours proceeding the scheduled time of the meeting.

Brenda Craig
City Secretary, City of Kerrville, Texas

4. ORDINANCES, SECOND AND FINAL READING:

4A. An ordinance amending Chapter 74 "Parks and Recreation", Article I "Rules and Regulations for City Park and Recreation Areas" of the Code of Ordinances of the City of Kerrville, Texas, by amending various sections to revise operating hours, establish use restrictions for the boardwalk pavilion, address age requirements for the use of the swimming pool, clarify the prohibition of the use of motor vehicles within the city parks, and make the alcohol regulations within Kerrville Schreiner Park consistent with other city parks; containing a cumulative clause; containing a savings and severability clause; providing a penalty; and providing other matters relating to the subject. (Staff)

5. CONSIDERATION AND POSSIBLE ACTION:

5A. Request from Ed Pollard for access easement to Lois Street across the city's property at 800 Junction Highway. (Staff)

5B. Food service advisory board recommendation to amend Chapter 58-Article II Food Establishments, to expand the definition of and modify the regulations that apply to mobile food vendors and commissaries. (Staff)

5C. Review and prioritization of the Alamo Regional Rural Planning Organization list of roadway projects in Kerr County. (Staff)

5D. Interlocal agreements between Kerr County and the City of Kerrville for joint operations. (Staff)

5E. Presentation and acceptance of the FY10 Comprehensive Annual Financial Report (CAFR). (Staff)

5F. Receive council direction on the FY 2012 budget. (Staff)

5G. Strategic plan to address economic development needs. (Staff)

5H. Update regarding Lower Colorado River Authority Transmission Services Corporation (LCRA-TSC) application for the proposed McCamey D to Kendall to Gillespie CREZ project PUC Docket No. 38354; City of Kerrville, Kerrville Public Utility Board, and City of Junction v. PUC, Cause No. D-1-GV-000324, in the 98th District Court of Travis County. (Staff)

6. INFORMATION AND DISCUSSION:

6A. Kerrville's Fourth on the River committee report. (Staff)

6B. Library update. (Staff)

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.

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Brenda Craig
City Secretary, City of Kerrville, Texas

6C. Voice Over Internet Protocol (VOIP) completion update. (Staff)

6D. Economic update. (staff)

7. BOARD APPOINTMENTS:

7A. Appointments to the parks and recreation advisory board. (Staff)

8. ITEMS FOR FUTURE AGENDA

9. ANNOUNCEMENTS OF COMMUNITY INTEREST:

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

10. EXECUTIVE SESSION:

The city council reserves the right to adjourn into executive session at any time to discuss any of the matters listed as permitted by law including if they meet the qualifications in Sections 551.071 (consultation with attorney), 551.072 (deliberation regarding real property), 551.073 (deliberation regarding gifts), 551.074 (personnel matters), 551.076 (deliberation regarding security devices) and 551.087 (deliberation regarding economic development negotiations) of Chapter 551 of the Texas Government Code, including the following matter:

Section 551.071:

- LCRA Transmission Services Corporation proposed McCamey D to Kendall to Gillespie 345-kV CREZ Transmission Line in Schleicher, Sutton, Menard, Kimble, Mason, Gillespie, Kerr, and Kendall Counties, Texas. Public Utility Commission of Texas (PUC) Docket No. 38354; City of Kerrville, Kerrville Public Utility Board, and City of Junction v. PUC, Cause No. D-1-GV-000324, in the 98th District Court of Travis County.

11. ACTION ON ITEM DISCUSSED IN EXECUTIVE SESSION

12. ADJOURNMENT.

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

I do hereby certify that this notice of meeting was posted on the bulletin board at the city hall of the city of Kerrville, Texas, and said notice was posted on the following date and time: April 8, 2011 at 3:00 p.m. and remained posted continuously for at least 72 hours proceeding the scheduled time of the meeting.

Brenda Craig
City Secretary, City of Kerrville, Texas

Agenda Item:
(Staff)

- 2A. Acceptance of gift in memory of Robert Rector, presented by Clarabelle Snodgrass and the Rector Family.

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

SUBJECT OF REQUEST: Acceptance of a gift in memory of Robert Rector

AGENDA DATE: April 12, 2011

DATE SUBMITTED: April 1, 2011

REQUESTED/SUBMITTED BY: Clarabelle Snodgrass
and Dr. William Rector and Family

ORGANIZATION REPRESENTING:

MAILING ADDRESS:

EMAIL ADDRESS:

EXHIBITS/INFORMATION:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

**WILL THIS ITEM REQUIRE CITY COUNCIL TO AUTHORIZE THE
EXPENDITURE OF CITY FUNDS? YES: _____ NO: X**

IF YES, STATE AMOUNT REQUESTED: \$ _____

DESCRIPTION OF REQUEST

The family of Robert Rector wishes to present a framed artist's rendition of central Kerrville, circa 1960 to the City of Kerrville in memory of Robert Rector.

RECOMMENDED COUNCIL ACTION

Accept gift.

Agenda Item:
(Staff)

- 3A. Approval of the minutes of the regular city council meetings held March 8 and March 22, 2011.

CITY COUNCIL MINUTES
REGULAR MEETING

KERRVILLE, TEXAS
MARCH 8, 2011

On March 8, 2011, the Kerrville City Council meeting was called to order by Mayor Wampler at 4:00 p.m. in the city hall council chambers, 800 Junction Highway. The invocation was offered by Reverend Eldon Sheffer, Director of Church Relations, Schreiner University, followed by the Pledge of Allegiance led by Sam Barker, of the Military Officers Association of America.

MEMBERS PRESENT:

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

MEMBER ABSENT: None

STAFF PRESENT:

Todd Parton	City Manager
Mike Hayes	City Attorney
Kristine Ondrias	Assistant City Manager
Brenda G. Craig	City Secretary
Travis Cochran	Director of Information Technology
Mike Erwin	Director of Finance
Kevin Coleman	Director of Development Services
Charlie Hastings	Director of Public Works
Robert Ojeda	Fire Chief

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

1. VISITORS/CITIZENS FORUM:

1A. David Lipscomb invited the public to attend the water education forums regarding state wide water resources and water planning being sponsored by the League of Women Voters on March 19 at the UGRA offices, 125 Lehmann Drive 9:00 a.m.–1:00 p.m.; speakers will represent the Texas Commission on Environmental Quality, Texas Parks and Wildlife, and the City of Kerrville.

(NOTE: Persons spoke regarding Items 3A and 3B; those comments are written under 3A.)

2. CONSENT AGENDA:

Mr. Gross moved for approval of items 2A through 2E; Mr. Allen seconded the motion and it passed 5-0:

2A. Approval of the minutes of the special city council meeting held February 2, and the regular meeting held February 8, 2011.

2B. Resolution No. 011-2011 authorizing publication of notice of intention to issue certificates of obligation in the amount not to exceed \$6,400,000 for the purpose of water and wastewater capital improvements.

2C. Authorize execution of a right-of-way license agreement at 228 Washington Street for the continuing use of a handicap ramp.

2D. Authorize an amendment to the existing professional service agreement with Freese & Nichols, Inc. for the Birkdale lift station and force mains capital improvement project and increasing the contract by \$30,000 to include the design of the force main co-mingle box at the wastewater treatment plant.

2E. Ratification of emergency purchase and installation of back-up generator at the wastewater treatment plant.

END OF CONSENT AGENDA

4C. Consider acceptance of a gift of land in the 700 block of Water Street from the Cailloux Foundation for use as a city hall.

Mr. Hayes noted the Cailloux Foundation offered to give the city land at the former Peterson Hospital site for construction of a new city hall, as well as to lease other properties in the area to the city at \$100 per year for at least 99 years. He reviewed the conditions of that gift, and the agreement between the Peterson Hospital and the Cailloux Foundation for the transfer of the aerial walkway. The time line would allow the city to go through a due diligence period and prepare a construction cost analysis in order to determine whether the city had the necessary funding. He reviewed other conditions of the agreement: 1) Closing should occur within one year; the city would then have three years from closing to construct the building and move in; 2) The city hall building could not exceed two stories, however, the foundation agreed to gift additional adjoining land for future build out; 3) The foundation had architectural control of the building; 4) The foundation had control of the remaining area of the former hospital site to be used for open space and other uses as they desired; 5) Contained a restriction clause that if the property ceased to be used for a city hall, it would revert back to the Cailloux Foundation; 6) If the city determined that it was unable to construct the facility and move in within its budget limitations, then the city could decline acceptance of the property; and 7) The foundation would proceed with construction of the clock tower.

Mr. Hayes noted additional leases included the parking garage, the cardiac rehab office, the cancer center, and properties on Clay Street; several of those premises were vacant and the city could move into those properties about one year after closing. The cancer center was currently leased to another party, and that lease may be extended for up to eight years. The city would assume responsibility for maintenance of the parking garage upon closing, with the restriction that it be open to the public and available for businesses downtown.

Mr. Hayes noted the aerial pedestrian crosswalk from the parking garage to the site extended over a state highway and was allowed through a previous contract between the state and the city acting as a conduit for the hospital. The second agreement assigned the hospital's rights for that aerial walkway to the Cailloux.

Council also discussed the following issues:

- Concern about the reversion clause, i.e. building a facility using tax funds and giving it to the foundation free and clear if the city ceased to use it as a city hall. Mr. Hayes noted that section was legal as the city would be accepting the property subject to the conditions stated in the contract.
- Concern about the three year time line.
- Should the foundation move into a limited liability company (LLC), the same conditions would apply as stated in the contract between the city and the foundation. Mr. Hayes stated that was the intent of the agreement.

Mayor Wampler expressed sincere appreciation to the Cailloux Foundation for their generosity. The city hall was the home of the community and had a place in the central business district; city hall would provide an anchor and enhance commercial development in the downtown area. The foundation paid premium price for the land and gave \$5 million to the hospital to be used for physician retention and recruitment.

The following person spoke:

- James Craft, reviewed the results of a survey he prepared from responses submitted to the Eye on Government website. According to his survey, people were not in favor of the city accepting the gift of land from the Cailloux Foundation for the purpose of building a city hall; rather, citizens wanted the property to be used for something else, and it would block the view of downtown. He asked that the city council consider: 1) accepting the gift but not building a city hall on the property; and 2) putting the issue on the May ballot. He requested permission to speak on item 2B as he had several questions. Mayor Wampler noted that 2B had already been voted on, but offered to accept his written questions.

Mr. Motheral moved to give the mayor authority to approve the agreement with the Cailloux Foundation accepting the gift of property for a city hall, and the authority to approve the pedestrian crosswalk assumption agreement to consent to the transfer of the crosswalk from Sid Peterson Memorial Hospital to the Cailloux Foundation property. Mr. Gross seconded the motion and it passed 5-0.

3. PUBLIC HEARING

3A. Public hearing on proposed annexation and recommended zoning of James Avery Craftsman Campus, consisting of approximately 43.72 acres, and generally located at the intersection of Harper Road (RR783) and Avery Road and adjacent to the northern property line of American Bank of Texas property.

Mr. Coleman noted on January 25 city council voted to accept voluntary petitions from property owners who requested annexation (Item 3A), and to initiate involuntary annexation procedures of the Higgins property and adjacent properties (Item 3B). He identified the areas of voluntary and involuntary annexation on the map and noted all notices had been posted and individual property owners whose property was being considered had been notified of the public hearing. He noted

that several annexation routes had been contemplated, but other routes involved multiple property owners. State law required 1,000 foot minimum for involuntary annexation, thus Mrs. Higgins entire tract was being considered as only a small strip would remain. The planning and zoning commission (P&Z) held a public hearing on March 3 and recommended planned development district (PDD) zoning for the James Avery Campus to allow the existing manufacturing use, and R-1 single family residential for the remaining properties, consistent with their current use. Final action on the Higgins annexation was scheduled to be completed on May 10, more than 60 days.

Mayor Wampler declared the public hearing open at 4:34 p.m.; the following persons spoke:

1. Catherine Black questioned notification procedures for this meeting and noted that state law prescribed notification requirements for annexations and questioned why she had not been notified. She questioned if council was aware of a state law that required cities to provide certain services to a property when it was annexed.

Mayor Wampler noted the meeting was posted in accordance with state law; she had not been notified of the annexation because her property was not being considered for annexation; those owners whose property was being considered for annexation had been notified. The city was aware of the state law.

2. Roy Graham stated he lived outside the city and that Town Creek Road was overdue for paving. The city's water and sewer project was supposed to have been completed in February and it was not. He had cars that he could not put in car shows because of the condition of the road. He had put in subdivisions and the city's project should have taken only a few months but had been going on for five months. He questioned if the city was annexing down Town Creek Road or Old Harper Road and if the annexation had anything to do with an access road with TxDOT and why the city had to annex 1,000 feet through Mrs. Higgins property.

Mayor Wampler stated the annexation did not have anything to do with a road through the Higgins property or any access road with TxDOT.

3. A person asked staff to identify the area on the map and provide landmarks so it was clear what property was being discussed.

4. Virginia Higgins noted she was in the process of a divorce and asked if the annexation of her property could be delayed 60 days to allow her time to resolve personal issues. She noted the city was passing up other property and tax base in order to get to her property. She signed the 20 year delayed annexation agreement, but her husband would not sign it. The city condemned her property and took it, and the city now had the easements; why did the city need to annex all of her property instead of annexing just the 1,000 feet it needed?

Mr. Hayes noted that Mrs. Higgins had signed the agreement, but her husband would not sign it, and both signatures were required. Under state law, the city cannot annex less than 1,000 ft. in an involuntary annexation.

Mr. Parton stated the process of annexation was necessitated by a request from James Avery Craftsman (JAC) to extend city utilities to the JAC facility. JAC had a well permit that was expiring and needed water to maintain the facility and expand the operation. He clarified the properties in Item 3A were voluntary annexations with development agreements from land owners who donated easements to extend utilities in exchange for access to the utility line. On jointly owned property, both property owners were required to sign the easement and annexation petition for each property in order to be valid. In the Higgins case, Mrs. Higgins signed the easement; Mr. Higgins would not sign it. In Mrs. Higgins' case, the easements were not donated and the city had to go through a condemn process and purchase the easement, and valuation of payment for that easement contemplated annexation of the property.

Mr. Coleman explained that the first annexation agreement offered to the Higgins called for a 30 foot annexation strip, and Mr. Higgins would not sign the first agreement. The second agreement offered delayed annexation whereby the city would not annex the property as long as the agricultural exemption was in place; Mr. Higgins would not sign the second agreement.

5. A lady asked council to commit to a time period that other land in the area would not be annexed.

Mayor Wampler noted that generally the city did not pursue involuntary annexations; however, as an area developed and a property became wholly encompassed by the city limits whereby a doughnut hole existed, the property may be annexed.

6. James Craft questioned the comment that state law prohibited strip annexation, noting Comanche Trace subdivision had been annexed by strip annexation along the highway. Mr. Hayes noted state law had changed since Comanche Trace had been annexed; strip zoning was not allowed under current state law.

The council also discussed the following points:

- The city was not taking Mrs. Higgins' land, only annexing it into the city limits.
- James Avery Craftsman had great economic value to the community, including 285 jobs and could not maintain their current facility or expand without utilities.
- The current council cannot commit future councils to a time schedule as to when property might or might not be annexed.

Mayor Wampler closed the public hearing at 4:52 p.m.

3B. Public hearing on proposed annexation and recommended zoning of various properties, consisting of approximately 278.4 acres, and generally located beginning northeast of the intersection of Morris Road and Town Creek Road, continuing in a northerly direction along Town Creek Road, across and including Interstate 10, then north through undeveloped property, and terminating at the southern property line of the James Avery Craftsman Campus, as located on the southeastern corner of the intersection of Harper Road (RR 783) and Avery Road. (Discussed in conjunction with Item 3A.)

Mayor Wampler declared the public hearing open at 4:53 p.m.; no one spoke; Mayor Wampler closed the public hearing at 4:53 p.m.

4. CONSIDERATION AND POSSIBLE ACTION

4A. Receive an update and provide direction to city staff regarding the Kerrville river trail project.

Mayor Wampler noted that Pete Moore was unable to attend the meeting; the consensus of the council was to postpone discussion to a future meeting.

4B. Direction to staff regarding interlocal agreements between the City of Kerrville and Kerr County for joint operations.

Mr. Parton provided an outline of services for joint operations and noted the contracts for fire/EMS, animal control, and airport services would expire midnight September 30, 2011; also, a funding agreement would not exist for library services beyond September 30. The outline projected the library operating budget at \$825,000 (\$412,500 each) based on a ten average of operating expenses, and reported library service levels were 54% city residents, 44% county residents, and 12% other. Mr. Parton also reported that indications from the county were that they were contemplating soliciting proposals to contract with a private company to provide EMS services beyond the city limits. He requested direction from the council on how to proceed to prepare the FY 12 budget, noting \$800,000 in lost revenue from fire/EMS in addition to an estimated \$1 million shortfall in the general fund. Staff had begun preparing a service level analysis and resource allocations report.

Mayor Wampler stated the council placed a high value on the fire/EMS service; however, the cost to provide that service to 1,100 square miles continued to rise each year, and a priority concern to the council was the imbalance of how that cost was allocated since the city taxpayers were paying a disproportionate share of the cost of that service.

Council also discussed the following points:

- The outline for library services proposed the county fund half of the operational expenditures only and did not include any maintenance or capital expenditures.
- The county stated they would fund animal control services county-wide, and the airport budget would be divided equally between the city and county.
- The city needed to amend its animal control ordinances to be in compliance

with the service being provided by the county.

- The county had not stated a willingness to fund the cost of fire/EMS.
- A previous study by the county concluded that the county was getting a great deal; when the county bids out the EMS service, the bids will show that the county cannot provide the level of service their constituents are receiving now for less money through a contracted service.
- The city should proceed with the interlocal agreements that both agree on, with each service as a separate agreement; however not finalize until all are agreed to.
- Last year the city did not receive budget information from the county until late September and the purpose of the March 31 deadline was to plan a budget and schedule that avoids last minute changes.
- The Kerrville Professional Firefighters Association planned to hold an information meeting on March 25, 6:30 p.m. at St. Peter's Episcopal Church.

Mr. Parton summarized the direction from the council to be used in preparation of the FY12 budget: no fire/EMS funding contribution from the county; place priority on fire/EMS and public safety functions when considering cuts; animal control services to be provided by the county; airport budget to be split equally between the city and county; and library fund be split equally between the city and county at \$825,000 (\$412,500 each) based on ten year average of operating expenses.

4C. Consider acceptance of a gift of land in the 700 block of Water Street from the Cailloux Foundation for use as a city hall.

(Item was discussed following the consent agenda.)

4D. Update regarding Lower Colorado River Authority Transmission Services Corporation's (LCRA-TSC) application for the proposed McCamey D to Kendall to Gillespie CREZ project (PUC Docket No. 38354).

Mr. Hayes reported the city's motion for a rehearing before PUC was pending; however, PUC did not place the matter on the agenda for their last meeting. By operational law the motion would be denied effective March 13, and the city would then have 30 days to appeal. The city's attorney was preparing for the appeal in district court in Travis County. He advised that the US Department of Agriculture informed others that they would not allow the line to go through their property at Highway 16 at I-10, and neither the state nor LCRA could condemn land on federal property; this may cause the line to be moved further south.

Mayor Wampler noted that LCRA was in the right of way easement acquisition process and asked the city to assist in the mediation of the line alignment in the city. LCRA hired a mediator to assist in property acquisition.

Mr. Parton noted the city requested LCRA minimize aesthetic and physical impact, and maintain usability and functionality of property as much as possible.

5. INFORMATION AND DISCUSSION:

5A. Economic update.

Mr. Erwin reported sales tax up slightly; hotel occupancy tax continued to drop; general fund revenue was on budget; and water sales were up due to dry weather. He will continue to monitor the impact that the increase in gas was having on the country and its effect on local economy. He proposed to schedule request for proposals for bank depository services on the March 22 agenda.

6. BOARD APPOINTMENTS:

6A. Appointment to the Kerrville Public Utility Board (KPUB).

Mr. Allen moved to reappoint Stephen P. Fine with term to expire April 21, 2016; Mr. Motheral seconded the motion and it passed 5-0.

7. ITEMS FOR FUTURE AGENDAS: No items were proposed.

8. ANNOUNCEMENTS OF COMMUNITY INTEREST: None discussed.

- Mardi Gras on Main, March 8, 6:00 p.m.
- Salvation Army Kroc Center, spring break splash, March 12, 11:00 a.m.
- League of Women Voters forum on water issues on March 19, 9:00-1:00 at UGRA offices at 125 Lehmann Drive.
- March 19, "Bark for Life" event at River Star Park.

9. EXECUTIVE SESSION: No items were discussed.

10. ACTION ON ITEM DISCUSSED IN EXECUTIVE SESSION: None.

ADJOURNMENT. The meeting adjourned at 5:21 p.m.

APPROVED: _____

David Wampler, Mayor

ATTEST:

Brenda G. Craig, City Secretary

CITY COUNCIL MINUTES
REGULAR MEETING

KERRVILLE, TEXAS
MARCH 22, 2011

On March 22, 2011, the Kerrville City Council meeting was called to order by Mayor Wampler at 6:00 p.m. in the city hall council chambers, 800 Junction Highway. The invocation was offered by Nick and Michelle Hutchinson of the Salvation Army, followed by the Pledge of Allegiance led by Mark Beushausen of the Corporal Jacob C. Leicht Memorial AMVETS Post 1000, and accompanied by his niece.

MEMBERS PRESENT:

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

MEMBER ABSENT: None

STAFF PRESENT:

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

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

1. VISITORS/CITIZENS FORUM: No one spoke.

2. PRESENTATIONS:

2A. Resolution of commendation to Brenda Hughes for serving on the food service advisory board.

2B. Resolutions of commendation to Matt Sletten and Melissa Schneider for serving on the main street advisory board.

2C. Presentation of the Texas Police Chiefs Association's certificate of recognition to the Kerrville Police Department, presented by James McLaughlin, Executive Director Texas Police Chiefs Association, and Scott Rubin, Police Chief for Fair Oaks Ranch Police Department.

2D. Presentation of award: Certificate of Merit to Investigator Darin Trahan.

2E. Presentation of award: Police Commendation to Lieutenant Curtis Thomason.

3. CONSENT AGENDA:

Mr. Gross moved for approval of items 3A through 3E; Mr. Allen seconded the motion and it passed 5-0:

3A. Approval of the minutes of the regular city council meeting held February 22, and the joint meeting of March 2, 2011.

3B. Resolution No. 012-2011 amending the resolution that ordered the holding of the general election to be held on May 14, 2011, by changing the location of the central counting station.

3C. Approval of a request for proposal for bank depository services and authorization for staff to seek bids.

3D. Approval of sidewalk café permit at 201 Earl Garrett (Francisco's).

3E. Authorize donation of office furniture to Hill Country Home Opportunity Council, a 501(c)(3) charity, and finding that such donation is supported by a public purpose.

END OF CONSENT AGENDA

7A. Request the subject of building a new city hall be put to a public vote on the May 2011 ballot, to address whether the citizens of Kerrville want to spend money to build a new city hall. (Trevor Hyde)

Trevor Hyde asked what the process was for putting an item on the ballot. Mr. Hayes noted the City Charter outlined a process that allowed citizens the opportunity to place an item on the ballot. Mayor Wampler noted the issue presented was not a legislative issue and did not qualify as an item that the citizens could place on the ballot. Legislative items such as ordinances could be placed on the ballot; however, the deadline had passed for the May 2011 ballot.

Trevor Hyde stated his objections to a new city hall and noted the following:

- Asked what the \$2.1 million received from the 2009 certificates of obligation could be used for. Mr. Parton noted the \$2.1 million could be used for the construction of a municipal administrative facility in the downtown city core, or for streets and drainage. Mr. Hyde wanted the council to be aware of the exact wording and read a section of the bond ordinance. Mr. Hyde noted it was not only for administrative facility, but also could be used for park improvements such as the proposed river trail.
- Objected to the process being used; he requested the matter be placed on the ballot to allow citizens to vote on the issue.
- Council should not accept every gift given.
- Requested council schedule a town hall meeting to discuss the issue and listen to citizens.
- Noted Item 7C to spend \$202,000 for an architect to design a new city hall, and requested the item be tabled.

Michael Burniston encouraged efforts for revitalization of downtown, but putting city hall at the proposed location would crush the momentum that had been building, and would not add the property to the tax roll or increase tax revenue downtown. He requested the matter be placed on the ballot so people could vote, or at the least, for council to have a town hall meeting.

The following persons spoke:

1. Dave Tritenbach stated the generous gift from the Cailloux Foundation would allow city hall to be strategically located downtown. He provided a list of reasons why having city hall in downtown would benefit the community and strengthen and revitalize downtown. He urged council to exercise vision, leadership and courage and to take action to accept the gift and move forward.

2. Mike Lowe stated he supported new city offices in the downtown area and urged council to accept this gracious offer by the Cailloux Foundation. The past 14 years he knew of four properties that the city studied as possible city hall sites in downtown. He opined that staff knew best what was needed in a city hall facility and staff should work with the architect to design a building to meet the city's future needs. The city had \$2.1 million designated for a city hall and an additional \$900,000 available, and not having to purchase the land would bring down the cost. The foundation purchased the property and offered 30% of the property to the city for a city hall, the balance would be developed however the foundation desired since it was their property. Peterson Hospital had the land for sale for several years and a few developers had studied it for commercial development, but could not purchase the land and make it happen. He urged council to consider the gift favorably and move forward to build a new city hall.

3. Deanna Bernard noted taxes were frozen at the current level on many properties, and the city had a commercial tax base problem. The city could learn from Fredericksburg; Kerrville lost the museum to Fredericksburg, and the council should not lose the opportunity to build a tax base and revitalize downtown. City hall was not a good use of the space, and she proposed an open amphitheater for community gatherings. The parking garage was not needed and was an eyesore; the city should consider tearing it down. The bridge to nowhere across the highway was an eyesore and should be removed. Council should try to find out what citizens wanted by allowing people to vote; there should be more transparency in government and fewer decisions behind closed doors. She asked why the city hall deal did not happen with the Bank of America building. The city needed increased tax base and downtown revitalization, not a new city hall.

4. L.E. Oldham, stated when his uncle was on city council he tried to hold spending and still accomplish what was needed. He asked how much land was available at the present city hall location and questioned if the city had explored all possibilities, including utilizing the current property. He heard that several locations had been looked at in downtown but they had fallen through.

5. John Mosty noted he had spent a lot of time at city hall the last four years working on the zoning ordinance, and he felt a new city hall was needed, noting the building was crowded and had insufficient functional space for staff and citizens to do business. He noted the comprehensive plan was written by a committee of citizens, not a consultant, and strongly supported city hall being in downtown. He did not have any objection to having town hall meetings or placing the item on the ballot. He invited citizens to remain for the public hearing items later in the meeting and noted several zoning issues that affected downtown.

6. Carolyn Lipscomb spoke in favor of city hall at the former hospital site, noting the building was designed to be compatible with downtown and there would still be ample space for a park. The land and an additional 17,500 sq. ft. of office space in the parking garage and on Earl Garrett Street was free to the city. The parking garage was an asset to downtown. If the property was placed on the market for sale to increase the commercial tax roll, there was no guarantee that a future owner would keep the parking garage available to the public or erect a structure that was compatible with downtown. The city did not need more empty commercial buildings. City hall would attract people and contribute to a vibrant downtown and increase the city's tax base through additional retail.

7. Donald Jones noted he was a new tenant of the Cailloux in the recently remodeled Schreiner Store. He evaluated this site carefully before he signed the agreement, and he would not have located his business here if he did not feel that the foundation had a good plan, and city hall was part of that plan, as well as renovation of the crosswalk, construction of the clock tower, and a public park. The Cailloux had a great plan for the development of downtown, and he encouraged council to do the right thing for Kerrville and put city hall downtown.

8. Sharon Walling stated the offer from the foundation was a generous gift and one that the city was not going to turn down; however, she wanted to see more shops. She proposed a compromise and offered revised drawings.

9. Ed Hamilton opined that the current city hall building was inadequate. He noted five studies since 1992 that recommended moving city hall downtown; no study had ever recommended a location outside of downtown. To his knowledge, this was the fifth downtown location to be discussed; it was time for council to move forward and do it. As a realtor he sold a lot of commercial property, and the Cailloux offer was the most generous gift he had seen. A large supply of prime commercial property was already available in downtown and the city did not need more. The property belonged to a non-profit organization and it would stay non-profit; there was no plan for the property to ever be put on the tax roll. He felt that locating city hall downtown would generate an additional 200 people and would stimulate growth and help downtown to survive. He noted a recent traffic study recommended turn lanes at Water Street and Sidney Baker to alleviate congestion. He suggested more transparency from the city to inform citizens, and recommended that council keep the cost of construction reasonable.

10. Corey Walters stated that he had conducted an informal poll of 100 people, and 60% preferred the property be used for a community gathering space, shops and restaurants; the majority polled were not fully aware of the proposal. People needed the facts, and council should schedule a town hall meeting. He presented a copy of the 1941 deed whereby L.A. Schreiner conveyed 24 acres to the school district with a reversion and restriction clause; KISD cannot convey the property now or it will revert back to the grantor's family. He opined that the reversionary restriction in the Cailloux Foundation agreement may cause problems for the city in the future. He also noted that the exhibit was not with the agreement to show exactly what was being agreed to and questioned who would own and maintain the clock tower.

11. Dave Vinyard stated that private property owners had the right to control the use of their land, and others could not dictate that use as long as it was within zoning laws. He hoped that council would accept the offer; people trusted councilmembers to make the right decision when they voted them into office. He reminded persons that elections were held every May. He surveyed where city halls were located in other communities and found that most were downtown; having city hall down town would benefit downtown and the citizens.

12. Joyce Mechler noted that the parking garage was needed and was a great benefit to downtown, and she asked that the walkway remain in place. City hall should be a convenient place for citizens to do business and downtown was a central location and made the best sense; city hall would help define downtown.

13. Harvey Brinkman stated he was a commercial broker and had represented the Cailloux on the purchase of the former Schreiner Department Store and encouraged the council to support the plan that the Cailloux had for downtown. He did not know the exact supply of commercial property available, but he did know that many commercial properties were vacant. Mr. Brinkman provided council a letter written by Ken Wilson, a downtown property owner, stating his support of city hall being downtown, and noting that absorption of the large amount of commercial space already available downtown would take time.

14. Vickie Love, owner of the Antique Mall for 12 years, appreciated what the foundation was doing in downtown; however, as a business owner, she was concerned how the improvements to the former Schreiner Department Store and moving city hall downtown would affect her property assessment and if her taxes would increase. She also noted that parking was an issue. She had her business for sale but had taken it off the market because exciting things were starting to happen.

15. Susanne Hartman, a vendor at the Antique Mall, said she never had a reason to go to city hall and did not think it would bring many people downtown.

16. Robert Jacks questioned if the city had considered buying the building next door to the existing city hall; the city would then own the land city hall was built on and not have a reversionary clause as was in the Cailloux contract. He asked that council consider alternatives before accepting the property. He noted there was traffic congestion downtown now, and much of that could be eliminated by changing the timing of the lights and increasing the speed limit on Sidney Baker.

Mayor Wampler noted a study had been done to expand city hall at the existing location, but it did not include purchasing additional property. The item for council to consider at this time was acceptance of the gift from the Cailloux Foundation, and not the purchase of other property.

The following points were also discussed by the council:

- Every council meeting had been properly posted; however discussions and negotiations had to be accomplished privately as allowed under state law; now was the time for citizens to become informed.
- This meeting was a town hall meeting; everyone had the opportunity to speak and be heard at this meeting; council listened to all comments. Also, the matter had been on several prior council agendas.
- Councilmembers were available to the public to discuss this and any other matter on an individual basis as desired.
- The council did not have the legal right to tell the Cailloux Foundation what they could and could not do with their property, subject to compliance with city ordinances and zoning.
- The Cailloux Foundation had paid \$5 million to Peterson Regional Medical Center, and an additional \$0.5 million to tear the building down.
- The property was for sale for six years, and two commercial developers looked at it, but no sell happened.
- It was not for the council to decide the highest and best use of property.
- The foundation had stated that if the city did not accept the gift, the foundation would donate it to another non-profit; there was no intent to put it on the tax roll.
- The foundation purchased the former Schreiner Store and is renovating it for commercial use, keeping it on the tax roll.
- If the city accepts the gift from the foundation, the parking garage will remain open to the public and parking would be free of charge. If the property had been purchased by a private owner, it could have been torn down or a fee charged. Also, the walkway will remain in place, allowing pedestrians safe passage from the parking garage across Sidney Baker.
- For the last ten years city councils have attempted to locate city hall downtown as established in the comprehensive plan; city hall does have a roll in the central city and should be an anchor for downtown.
- The current city hall site would be sold and put on the tax roll.
- The land on the loop that had been suggested for a city hall could be used for mixed use commercial and residential and placed on the tax roll. City hall did not belong on the periphery of the city; rather, it had a place in downtown where it would be accessible to the public.

- Councilmembers were elected by the citizens and had the responsibility to make decisions and conduct the business of the city.
- The Cailloux Foundation's gift was exciting and would make it possible to have city hall downtown without the need to purchase land or raise taxes.

7B. Request discussion of plans to build a new city hall building on the former Peterson Hospital site at Hwys. 16 and 27 and plans should not proceed until the citizens of Kerrville have had the opportunity to vote on the issue. (Mark Burniston (Matter was considered in conjunction with Item 7A.)

4. **PUBLIC HEARINGS:**

4A. Annexing several tracts of land consisting of approximately 278.4 acres along with adjacent and intervening public rights-of-way including Interstate 10 between the existing city limits and being generally located beginning northeast of the intersection of Morris Road and Town Creek Road, continuing in a northerly direction along Town Creek Road, across and including Interstate 10, then north through an undeveloped tract, and terminating at the James Avery Craftsman Campus, as located on the southeastern corner of the intersection of Harper Road (RR783) and Avery Road.

Mr. Coleman noted that affected property owners were notified, and the meeting notice had been properly posted. He reviewed a map of the area and the annexation schedule.

Mayor Wampler declared the public hearing open at 8:05 p.m.; the following persons spoke:

1. Virginia Higgins stated she had the right to own the land and questioned why the city could not just annex 1,000 ft. instead of the entire 50 acres. She asked how the annexation would affect her agriculture exemption and noted a loss of income due to hunting restrictions once the property was annexed.

Mr. Coleman noted state law required 1,000 foot minimum for an involuntary annexation; thus Ms. Higgins' entire tract was being annexed since only a small strip would remain outside the city. Annexation would not affect her ag exemption; however, the ag use could not be expanded; bird hunting and fireworks would not be allowed. He explained that annexation did not affect ownership, and she would continue to own her property.

2. Polly Rickard noted that only a portion of land was being annexed on adjacent properties and questioned why it was not the same for Ms. Higgins.

Mr. Coleman noted that all property owners along the annexation path had given utility easements and agreed to voluntary annexation; however, Mr. Higgins would not agree to voluntary annexation and the city had to go through an involuntary annexation process, which required a minimum 1,000 ft.

Mayor Wampler closed the public hearing at 8:11p.m.

4B. Annexing an approximate 43.72 acre tract of land, being all of the James Avery Craftsman campus and those portions of Avery Road North and Lessie Lane. Mr. Coleman noted that Mr. Avery petitioned the city for annexation.

Mayor Wampler declared the public hearing open at 8:12 p.m.; no one spoke. Mayor Wampler closed the public hearing at 8:12 p.m.

5. PUBLIC HEARINGS AND ORDINANCES FIRST READING:

5A. An ordinance amending the city's "Zoning Code" to revise Article 11-I-19 "Special Development Regulations for Specific Uses" in its entirety to include changing the title of the article to "Supplementary Development Requirements" and adding development requirements to specific land uses within any zoning district; containing a cumulative clause; containing a savings and severability clause; providing for a maximum penalty or fine of two thousand dollars (\$2000.00); and ordering publication. Mayor Wampler read the ordinance by title only.

Mr. Coleman presented the redraft of Article 19 prepared by the zoning ordinance input committee (ZOIC). The planning and zoning commission (PZC) recommended approval of the proposed Article 19 with the addition of wood siding to the list of restricted material. Prior to second reading, Mr. Coleman recommended a change that would clarify the width of driving lanes and requirements for fire lanes, and correction of typographical errors.

Mayor Wampler declared the public hearing open at 8:20 p.m.; no one spoke. Mayor Wampler closed the public hearing at 8:20 p.m.

Mr. Allen moved for approval of the ordinance on first reading with the revisions as noted by staff; Ms. Keeble seconded the motion and it passed 5-0.

5B. An ordinance amending the city's "Zoning Code" to revise Article 11-I-20 "Off-Street Parking and Loading Requirements" in its entirety to make amendments which include increasing the parking requirement for various uses, requiring specific types of paving for parking lots, requiring stacking areas for uses utilizing drive-through services, requiring lights for parking lots used at night, and establishing an appeal process; containing a cumulative clause; containing a savings and severability clause; providing for a maximum penalty or fine of two thousand dollars (\$2000.00); and ordering publication. Mayor Wampler read the ordinance by title only.

Mr. Coleman reviewed the parking standards recommended by ZOIC; PZC recommended approval of the ordinance as presented.

Mayor Wampler declared the public hearing open at 8:23 p.m.; no one spoke, and Mayor Wampler closed the public hearing at 8:23 p.m.

Mr. Motheral moved for approval of the ordinance on first reading as presented but with the stipulation that the typographical errors be corrected; Mr. Gross seconded the motion and it passed 5-0.

5C. An ordinance amending the city's "Zoning Code" to revise Article 11-I-6 "Zoning Districts—Central City" by creating a new zoning district, the central business district, which will include and rezone parts of current zoning districts C-11, C-12, residential transition, and all of zoning district C-18; providing for use regulations within said district; and making other amendments to the zoning code to account for the new district; containing a cumulative clause; containing a savings and severability clause; providing for a maximum penalty or fine of two thousand dollars (\$2000.00); and ordering publication. Mayor Wampler read the ordinance by title only.

Mr. Coleman presented a map of the proposed CBD and noted the ordinance would simplify and combine multiple districts and create a new central business district (CBD). The ordinance also adopted land use descriptions and definitions; and established a list of land uses permitted, conditionally permitted, and restricted in the CBD. He noted that existing uses and buildings did not have to meet the proposed parking requirements or setbacks, and they would remain valid, non-conforming uses; however, a non-conforming use would not be allowed to expand.

Mayor Wampler declared the public hearing open at 8:32 p.m. and the following persons spoke:

1. Harvey Brinkman noted his property was in two zoning districts and requested that all of the property (Lot 12, Block 1 of the B.F. Cage Addition) be in the same zone and preferred CBD district.

Mr. Coleman noted that that the notifications were mailed to all property owners in the proposed CBD and that public hearings had been held based on the map presented. Mr. Coleman requested the council consider the proposed CBD as recommended by PZC at this time, and he would assist Mr. Brinkman with a zoning change request for the property outside the CBD.

2. John Mosty, chairman of ZOIC, stated he had no objection to including Mr. Brinkman's property in the CBD; the issue was meeting the notification and public hearing requirements.

3. Ed Hamilton opined that all of the property should be considered at the same time; to do otherwise could have unintended consequences.

4. Kevin Southerland asked where the public could see a list of specified uses. Mr. Coleman noted the list of uses for the CBD was on the city's webpage or could be acquired at city hall.

Mayor Wampler closed the public hearing at 8:44 p.m.

The council noted there was no urgency to pass the ordinance; the consensus was to table the ordinance and allow staff time to prepare re-notifications to the immediate property owners and hold the public hearing. Mr. Hayes noted the change would require that the ordinance come back to council for first reading.

6. ORDINANCES FIRST READING:

6A. An ordinance amending Chapter 74 "Parks and Recreation", Article I "Rules and Regulations for City Park and Recreation Areas" of the Code of Ordinances of the City of Kerrville, Texas, by amending various sections to revise operating hours, establish use restrictions for the boardwalk pavilion, address age requirements for the use of the swimming pool, clarify the prohibition of the use of motor vehicles within the city parks, and make the alcohol regulations within Kerrville Schreiner Park consistent with other city parks; containing a cumulative clause; containing a savings and severability clause; providing a penalty; and providing other matters relating to the subject. Mayor Wampler read the ordinance by title only.

Mr. Matthews noted the ordinance reflected changes presented to the council on February 22; he recommended approval of the ordinance

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

7. CONSIDERATION AND POSSIBLE ACTION:

7A. Request the subject of building a new city hall be put to a public vote on the May 2011 ballot, to address whether the citizens of Kerrville want to spend money to build a new city hall. The matter was discussed earlier in the meeting.

7B. Request discussion of plans to build a new city hall building on the former Peterson Hospital site at Hwys. 16 and 27 and plans should not proceed until the citizens of Kerrville have had the opportunity to vote on the issue. (The matter was considered in conjunction with Item 7A and discussed earlier in the meeting.)

7C. Authorize professional services agreement with Peter Lewis Architect + Associates, PLLC for design of the city hall facility and renovation of adjacent administrative space in an amount not to exceed \$202,250.00.

Ms. Ondrias noted staff had worked with Peter Lewis to scope the design of a new 15,000 sq.ft. facility and renovation of existing adjacent administrative space included in the gift of property from the Cailloux Foundation; she recommended approval of the agreement with Peter Lewis as stated.

Mr. Gross moved to authorize execution of the agreement; Mr. Allen seconded the motion and it passed 5-0.

7D. Interlocal agreements between the City of Kerrville and Kerr County for joint operations. The matter was deferred to executive session.

7E. Update and direction to staff regarding the river trail project.

Pete Moore presented drawings depicting a river trail from Louise Hays Park to the boat ramp at Knapp Park, and he identified locations where the trail could be broken into segments. He was working with staff on the trail design and cost

estimates and was in the progress of creating and organizing the Friends of the Kerrville River Trail, a 501(c)3 non-profit organization to support the development of the river trail. He reviewed aspects of the project that the Friends could help with, including raising funds for the construction and maintenance of the trail, organizing and hosting events, assisting in easement acquisition, and serving as a land bank to accept and manage land donated for the river trail.

Mr. Moore gave an update on Hunter Equity's redevelopment of the Family Sports Center property and described the proposed mixed use development in the Hwy. 27/Guadalupe Street area. They had completed the traffic impact analysis and would be submitting it to the city. He reviewed the schematic design of the river trail and the proposed amphitheater on their property and noted the CLOMR (conditional letter of map revision) had been submitted to Austin to finalize development of the trail through their property.

The following persons spoke:

1. Duane Shortt, representing Family Sports Center, discussed incorporating fitness/wellness stations along the trail.
2. Kyle Busing, Assistant Professor of Exercise Science at Schreiner University, discussed opportunities to involve SU students, e.g. develop fitness and exercise programs and after school programs for students.
3. Greg Hayes, representing the Riverside Nature Center (RNC), stated the proposed river trail tied in with the mission of the RNC and they were excited about ways they could participate and make solid contributions to the trail. Members of RNC could provide advice and assist in conservation aspects of the project. RNC could also serve as a nature trail head and provide wildlife viewing areas and bird watching stations.
4. Chris Distel, Professor of Biology at Schreiner University, noted that the Guadalupe River had a lot to offer and SU was excited about ways they could be involved in the river trail, e.g. nature and biology research and preparation of information for signage and pamphlets.

Mr. Gross moved to authorize staff to negotiate with Pete Moore to complete Phase I of the trail design as presented by Pete Moore, to include design for improvements for Louise Hays Park and Guadalupe Park. Mr. Allen seconded the motion and it passed 5-0.

7F. Update regarding Lower Colorado River Authority Transmission Services Corporation's (LCRA-TSC) application for the proposed McCamey D to Kendall to Gillespie CREZ project (PUC Docket No. 38354).

Mr. Hayes reported the petition to appeal PUC's decision was filed last week in Travis County District Court for a hearing on the merits, i.e. whether PUC took into consideration all of the city's concerns and issues with respect to the line

going through the Kerrville area. As soon as a judge is assigned, the city's attorneys plan to go before the judge and ask for a temporary injunction for LCRA to stand down.

8. INFORMATION AND DISCUSSION:

8A. Kerrville's Fourth on the River committee report.

The committee asked that this matter be rescheduled.

8B. Economic update.

Mr. Erwin reported local unemployment remained high; sales tax was about the same; and hotel occupancy tax continued to decrease. General fund revenue was about the same as last year, and expenditures were about \$1 million less than last year. Water/sewer fund expenditures were about \$40,000 more than revenue, but the budget amendment approved the use of \$300,000 from the fund balance. The National Federation of Independent Business reported some job growth for the first time in about three years.

Ray Watson, KEDC executive director, reported that Texas had been announced as the 2010 Governor's Cup winner; 424 new companies to locate in Texas in 2010. Mr. Watson reported of the 20 strongest metropolitan cities, five were in Texas, including San Antonio, and Kerrville was considered part of the San Antonio metropolitan area. There were positive indicators on the national level that the country may be coming out of the recession.

9. ANNOUNCEMENTS OF COMMUNITY INTEREST: None discussed.

- March 26 Community Service Infusion event: 780 volunteers had offered to work on 80 projects in the community.
- The Kerrville Professional Firefighters Association scheduled a public meeting to discuss and provide information on fire and EMS services on March 25 at 6:30 p.m. at the St. Peter's Episcopal Church.

10. EXECUTIVE SESSION:

Mr. Motheral 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 Mr. Allen and passed 5-0 to discuss the following matters:

Section 551.071:

- LCRA Transmission Services Corporation proposed McCamey D to Kendall to Gillespie 345-kV CREZ Transmission Line in Schleicher, Sutton, Menard, Kimble, Mason, Gillespie, Kerr, and Kendall Counties, Texas. Public Utility Commission of Texas (PUC) Docket No. 38354.

At 9:39 p.m. the regular meeting recessed and council went into executive closed session at 9:40 p.m. At 11:04 p.m. the executive closed session recessed and council returned to open session at 11:05 p.m. Mayor Wampler announced that no action had been taken in executive session.

11. ACTION ON ITEM DISCUSSED IN EXECUTIVE SESSION:

7D. Interlocal agreements between the City of Kerrville and Kerr County for joint operations.

Mayor Wampler stated the consensus of council was to direct staff to present to the commissioners' court the amended draft of the airport agreement; also to present the court agreements for library, and fire/EMS and await their response. This action was taken in the absence of direction from the county regarding service levels, particularly on fire/EMS; staff should proceed with the contracts based on service levels as previously discussed.

ADJOURNMENT. The meeting adjourned at 11:06 p.m.

APPROVED: _____

David Wampler, Mayor

ATTEST:

Brenda G. Craig, City Secretary

Agenda Item:
(Staff)

- 3B. Authorize the city manager to execute a construction contract for the Butt-Holdsworth Memorial Library roof replacement project with Apex Enterprises, Inc. in an amount not to exceed \$112,562.

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

SUBJECT: Authorization for the City Manager to execute a construction contract for the Butt-Holdsworth Memorial Library Roof Replacement project with APEX Enterprises, Inc. for \$97,880.00 and authorize the City Manager to execute contingency change orders in an amount not to exceed \$14,682.00.

FOR AGENDA OF: April 12, 2011 **DATE SUBMITTED:** April 1, 2011

SUBMITTED BY: Michael Wellborn, P.E. **CLEARANCES:** Kristine Ondrias 
Director of Engineering Assistant City Manager

EXHIBITS: Contract, Bid Tabulation, Architect Award Recommendation Letter.

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

Expenditure	Current Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$84,865.00	\$84,865.00	\$86,365.00	L01
\$27,697.00	\$531,445.42	\$27,697.00	G95

PAYMENT TO BE MADE TO: Apex Enterprises, Inc.
9010 Broadway
San Antonio, TX 78217

REVIEWED BY THE FINANCE DIRECTOR:

SUMMARY STATEMENT

The renovation of the Butt-Holdsworth Memorial Library, 505 Water St., includes the replacement of the existing roof, which will be the first improvement scheduled for the library renovation project. The City of Kerrville received a grant from the American Recovery and Reinvestment Act through the State Energy Conservation Office in the amount of \$86,365 for this roof replacement. The roof replacement is to meet all of the federal and state grant requirements associated with contract procurement, disposal of materials, contractor assurance in meeting prevailing wage rates for workers, and that the products installed meet the "Buy American" provision of the grant. Because of the requirements associated with this grant, the roof replacement is being completed by separate construction contract from the remainder of the library renovation fund. To date, costs to the project have included grant preparation and an asbestos survey of the existing roof to be replaced.

The roof replacement project was bid on March 14, 2011, with the proper advertisements/notifications. There were 6 qualified bids received, with the lowest bid submitted by APEX Enterprises, Inc. from San Antonio in the amount of \$97,880.00. Staff and the project architect have met with APEX to review their submittals and costs,

secure references, and identify grant and City construction contract requirements. The total roof replacement authorization being recommended is \$112,562.00, which includes \$97,880.00 for the construction contract and \$14,682.00 established for construction contingency. The available grant funds remaining in the amount of \$84,865.00 will require \$27,697.00 in additional local funds to award the construction contract. This additional funding will be provided from Butt-Holdsworth Memorial Library Renovation project (Accounting Number G95).

RECOMMENDED ACTION

The Director of Engineering recommends that Council authorize the City Manager to execute a construction contract for the Butt-Holdsworth Memorial Library Roof Replacement project with APEX Enterprises, Inc. for \$97,880.00 and authorize the City Manager to execute contingency change orders in an amount not to exceed \$14,682.00.

Butt-Holdsworth Memorial Library (BHML) Roof

Engineering Number PW10-027
Grant Number: N/A
Accounting Project # L01
Accounting Account # 85-11003
Expense # 85-800-502

BID TABULATION

No.	Bidder Name	Bid Bond	Addendum #1 Acknowledged	Base Bid
1	Alamo Roofing & Metal Co., Inc.	X	X	\$168,287.52
2	Apex Enterprises, Inc.	X	X	\$97,880.00
3	Chamberlin Roofing & Waterproofing	X		\$117,868.00
4	Cram Roofing Company, Inc.	X	X	\$118,354.00
5	Samuel Dean Sheet Metal, Inc.	X	X	\$166,600.00
6	CS Advantage USAA, Inc.	X	X	\$150,000.00



Certification of "Buy American" Procurement

Contract Number _____

Project Name Butt- Holdsworth Memorial Library

I do hereby certify as to the following:

1. Identification of American-made Iron, Steel, and Manufactured Goods: Consistent with the terms of the Owner's bid solicitation and the provisions of ARRA Section 1605 and OMB regulations, Code of Federal Regulations, Volume 2, Part 176, the Bidder/Vendor certifies that this bid/procurement reflects the Bidder/Vendor's best, good faith effort to identify domestic sources of Iron, Steel, and Manufactured goods for every component contained in the bid solicitation/procurement where such American-made components are available on the schedule of values and consistent with the deadlines prescribed in or required by the bid solicitation/procurement.
2. Verification of U.S. Production: The Bidder/Vendor certifies that all components contained in the bid solicitation/procurement that are American-made have been so identified, and if this bid/procurement is accepted, the Bidder/Vendor agrees that it will provide reasonable, sufficient, and timely verification to the Owner of the U.S. production of each component so identified.
3. Documentation Regarding Non-American made Iron, Steel, or Manufactured Goods: The Bidder/Vendor certifies that for any component or components that are not American-made and are so identified in this bid/procurement, the Bidder/Vendor has included in or attached to this bid/procurement one or both of the following, as applicable:
 - a. Identification of and citation to a categorical waiver published by the U.S. Department of Energy in the Federal Register that is applicable to such component or components, and an analysis that supports its applicability to the component or components.
 - b. Verifiable documentation sufficient to the Owner, as required in the bid solicitation or otherwise, that the Bidder/Vendor has sought to secure American-made components but has determined that such components are not available on the schedule and consistent with the deadlines prescribed in the bid solicitation/procurement.
4. Information and Detailed Justification Regarding Non-American made Iron, Steel, or Manufactured Goods: The Bidder/Vendor certifies that for any such component or components that are not so available, the Bidder/Vendor has also provided in or attached to this bid/procurement information, including but not limited to the verifiable documentation

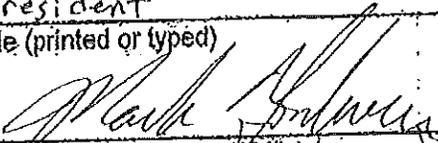


and a full description of the bidder/vendor's efforts to secure any such American-made component or components, that the Bidder/Vendor believes is sufficient to provide and as far as possible constitutes the detailed justification required for a waiver under section 1605 with respect to such component or components. The Bidder/Vendor further agrees that, if this bid/procurement is accepted, it will assist the Owner in amending, supplementing, or further supporting such information as required by the Owner to request and, as applicable, implement the terms of a waiver with respect to any such component or components.

Apex Enterprises, Inc.
Contractor Name (printed or typed)

Mark Tomlinson
Name of Authorized Official (printed or typed)

President
Title (printed or typed)


Signature of Authorized Official

3-29-11
Date

* Sub-recipients may use the following certification to be included in the bid packet and returned by prospective bidders with their bids.

** Please maintain this form on file.

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

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

7. CASUALTY INSURANCE

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

8. QUALITY OF WORK

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

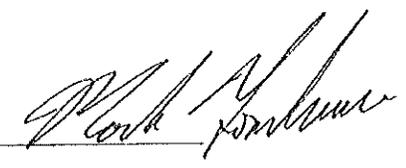
9. CHANGES AND EXTRAS

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

10. ADDENDA

Contractor acknowledges the receipt of the following addenda:

1. Dated: 3-25-11

Acknowledged by: 

2. Dated: _____

Acknowledged by: _____

11. CONTRACT SUM

Proposal: Contractor agrees to provide all labor, materials, and all incidentals necessary to complete "The Work"

TOTAL BASE BID : Ninety Seven Thousand Eight Hundred Eighty
and 00/100 Dollars (\$ 97,880.00)
(use words) (figures)

COMPLETED BY

DATE

Mark Tomlinson
(Printed Name)

3-29-11
(Date)

President
(Title)

Mark Tomlinson
(Signature)

Apex Enterprises, Inc.
(Company Name)

Sub-Contractors:

	NAME	ADDRESS	PHONE	WORK TO BE PERFORMED
1.	N/A			
2.				
3.				

(Attach additional sheet if required)

INSURANCE AGENT

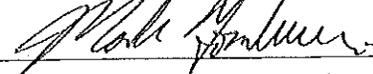
NAME	ADDRESS	PHONE	POLICY
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1.	<u>Trimble-Batjer Insurance Associates LLP</u>	<u>404 E Ramsey Rd Ste 104</u>	<u>San Antonio, TX 78216</u>
2.			<u>210-308-9438</u>
3.			

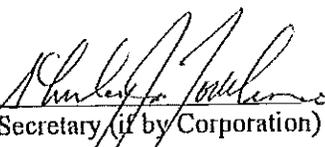
BONDING AGENT

NAME	ADDRESS	PHONE	POLICY
1. Suretec Insurance Company	9737 Great Hills Trail Ste 320 Austin, TX 78759		
2.	512-732-0099		
3.			

Signed this 29th day of March, 2011

Signature: 

Printed Name: Mark Tomlinson

Attest: 
Secretary (if by Corporation)

Firm Name: Apex Enterprises, Inc.

SEAL

Title: President

Business Address:

9010 Broadway
San Antonio, TX 78217

Phone: 210-342-9661

E-mail: mark@apexsainc.com

FAX: 210-342-9677

ACCEPTED THIS _____

day of _____, 2011

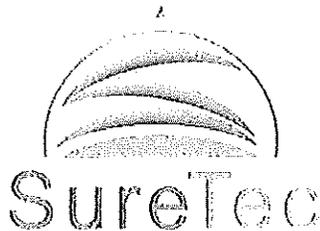
By: _____
Todd Parton, City Manager
City of Kerrville, Texas.

ATTEST: _____
Brenda Craig, City Secretary

CITY SEAL

APPROVED AS TO FORM:

Mike Hayes, City Attorney



BID BOND

KNOW ALL MEN BY THESE PRESENTS, that we Apex Enterprises, Inc., as principal, hereinafter called the "Principal," and **SURETEC INSURANCE COMPANY**, 9737 Great Hills Trail, Suite 320, Austin, Tx 78759, as surety, hereinafter called the "Surety," are held and firmly bound unto City of Kerrville as obligee, hereinafter called the Obligee, in the sum of ten Percent (10%) of the Amount Bid by Principal for the payment of which sum well and truly to be made, the said Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the principal has submitted a bid for Butt-Holdsworth Memorial Library Roof Replacement Project.

NOW, THEREFORE, if the contract be timely awarded to the Principal and the Principal shall within such time as specified in the bid, enter into a contract in writing or, in the event of the failure of the Principal to enter into such Contract, if the Principal shall pay to the Obligee the difference not to exceed the penalty hereof between the amount specified in said bid and such larger amount for which the Obligee may in good faith contract with another party to perform the work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect.

PROVIDED, HOWEVER, neither Principal nor Surety shall be bound hereunder unless Obligee prior to execution of the final contract shall furnish evidence of financing in a manner and form acceptable to Principal and Surety that financing has been firmly committed to cover the entire cost of the project.

SIGNED, sealed and dated this 29th day of March, 2011.

Apex Enterprises, Inc.
(Principal)

BY: _____

TITLE: _____

SureTec Insurance Company

BY: _____

Barbara Newcomb, Attorney-In-Fact

SureTec Insurance Company
THIS BOND RIDER CONTAINS IMPORTANT COVERAGE INFORMATION

Statutory Complaint Notice

To obtain information or make a complaint: You may call the Surety's toll free telephone number for information or to make a complaint at: 1-866-732-0099. You may also write to the Surety at:

SureTec Insurance Company
9737 Great Hills Trail, Suite 320
Austin, Tx 78759

You may contact the Texas Department of Insurance to obtain information on companies, coverage, rights or complaints at 1-800-252-3439. You may write the Texas Department of Insurance at

PO Box 149104
Austin, TX 78714-9104
Fax#: 512-475-1771

PREMIUM OR CLAIM DISPUTES: Should you have a dispute concerning your premium or about a claim, you should contact the Surety first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

Terrorism Risks Exclusion

The Bond to which this Rider is attached does not provide coverage for, and the surety shall not be liable for, losses caused by acts of terrorism, riot, civil insurrection, or acts of war.

**Exclusion of Liability for
Mold, Mycotoxins, Fungi & Environmental Hazards**

The Bond to which this Rider is attached does not provide coverage for, and the surety thereon shall not be liable for, molds, living or dead fungi, bacteria, allergens, histamines, spores, hyphae, or mycotoxins, or their related products or parts, nor for any environmental hazards, bio-hazards, hazardous materials, environmental spills, contamination, or cleanup, nor the remediation thereof, nor the consequences to persons, property, or the performance of the bonded obligations, of the occurrence, existence, or appearance thereof.

SureTec Insurance Company

LIMITED POWER OF ATTORNEY

Know All Men by These Presents, That SURETEC INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Texas, and having its principal office in Houston, Harris County, Texas, does by these presents make, constitute and appoint

Paul G. Adam, Peter S. Batjer, Joseph P. O'Connor, Randall Saverance, Lisa W. Friend, Annelle U. Smith, Barbara Newcomb, Susan D.B. Muniz, Kari N. Wirth

its true and lawful Attorney-in-fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include waivers to the conditions of contracts and consents of surety, providing the bond penalty does not exceed

Five Million Dollars and no/100 (\$5,000,000.00)

and to bind the Company thereby as fully and to the same extent as if such bond were signed by the President, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney(s)-in-Fact may do in the premises. Said appointment shall continue in force until 12/31/12 and is made under and by authority of the following resolutions of the Board of Directors of the SureTec Insurance Company:

Be it Resolved, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

Attorney-in-Fact may be given full power and authority for and in the name of and of behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

Be it Resolved, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached. (Adopted at a meeting held on 20th of April, 1999.)

In Witness Whereof, SURETEC INSURANCE COMPANY has caused these presents to be signed by its President, and its corporate seal to be hereto affixed this 28th day of October, A.D. 2008.

State of Texas
County of Harris

ss:



SURETEC INSURANCE COMPANY

By:

B.J. King
B.J. King, President

On this 28th day of October, 2008 before me personally came B.J. King, to me known, who, being by me duly sworn, did depose and say, that he resides in Houston, Texas, that he is President of SURETEC INSURANCE COMPANY, the company described in and which executed the above instrument; that he knows the seal of said Company; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto by like order.



Michelle Denny

Michelle Denny, Notary Public

My commission expires August 27, 2012

I, M. Brent Beaty, Assistant Secretary of SURETEC INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Company, which is still in full force and effect; and furthermore, the resolutions of the Board of Directors, set out in the Power of Attorney are in full force and effect.

Given under my hand and the seal of said Company at Houston, Texas this 29th day of March, 2011, A.D.

M. Brent Beaty
M. Brent Beaty, Assistant Secretary

Any Instrument Issued in excess of the penalty stated above is totally void and without any validity.
For verification of the authority of this power you may call (713) 612-0800 any business day between 8:00 am and 5:00 pm CST.



PETER LEWIS
ARCHITECT + ASSOCIATES

April 6, 2011

Mr. Mike Wellborn, City Engineer
City of Kerrville
800 Junction Highway
Kerrville, Texas 78028

RE: BHML Roof Replacement
Kerrville, Texas

Dear Mike:

Bids for construction of the referenced Project were received on March 29, 2011 at 3:00 PM CST, in City Council Chambers/Kerrville City Hall. Six (6) bonafide bidders submitted Proposals. The apparent low bidder was APEX Enterprises, Inc., San Antonio, Texas with a bid of Ninety Seven Thousand Eight Hundred Eighty and no/100 dollars (\$97,880.00).

We have met with Mark Tomlinson, President of Apex Enterprises to confirm their understanding and acceptance of all SECO Grant compliance and reporting requirements and have received very positive recommendations from four customer references they provided.

Based upon the foregoing we recommend that the City of Kerrville accept their Bid Proposal for City Council's consideration and approval. Please let me know if you need additional information or have any questions regarding the Bid Process.

Very truly yours,

Peter W. Lewis, Architect
Principal

Agenda Item:
(Staff)

- 3C. Approval of investment policy for the City of Kerrville, Texas, Economic Improvement Corporation.

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

SUBJECT: Approval of the investment policy of the City of Kerrville's Economic Improvement Corporation

FOR AGENDA OF: April 12, 2011 **DATE SUBMITTED:** April 1, 2011

SUBMITTED BY: Mike Erwin  Director of Finance **CLEARANCES:** Todd Parton
City Manager

EXHIBITS: EIC's Investment Policy
AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

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

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

SUMMARY STATEMENT

The EIC has adopted, based on recommendation from Patterson & Associates, the City's Investment Advisor, its own investment policy. The policy reflects the Public Funds Investment Act with the addition of benchmarks and quarterly meetings.

RECOMMENDED ACTION

Staff requests approval of EIC investment policy.

Economic Improvement Corporation

City of Kerrville, Texas Investment Policy

Adopted January 17, 2011

1. General Policy

It is the policy of the Economic Improvement Corporation (the "EIC") of the City of Kerrville (the "City") to administer its funds and the investment of those funds, as its highest public trust. The funds shall be invested in a manner, which provides for the safety of principal through risk management and diversification while meeting all the cash needs. Investments should provide a reasonable investment return and the earnings will be used in a manner that best serves the interests of the EIC and the City.

This Policy is designed to be in conformance with the Public Funds Investment Act, Chapter 2256, Texas Government Code (the "Act"), and any applicable state and federal regulations, and applicable bond resolution requirements.

The purpose of this Policy is to provide a framework for the management of Kerrville EIC invested assets. The Policy outlines objectives, benchmarks, restrictions and responsibilities so that the Board of Directors, Staff, consultants, managers, members and beneficiaries, and all Kerrville EIC stakeholders clearly understand the objectives and policies of the Kerrville EIC investment program. The Policy also encourages effective communication, facilitate transparency and compliance, and provide a framework for reporting back to the Board of Directors, as appropriate.

The Policy sets forth the guidelines which the Board of Directors deems to be appropriate and prudent in consideration of the needs of and the legal requirements applicable to the Kerrville EIC investment program. The Policy provides criteria against which investment results will be measured and serve as a review document to guide ongoing operations and oversight. The Policy also is intended to ensure that the Board of Directors is fulfilling its fiduciary responsibilities in the management of Kerrville EIC planned investments.

The Board of Directors intends for the Policy to be a dynamic document and will review it from time to time. Policies will be modified periodically to reflect the changing nature of Kerrville EIC invested assets and investment programs, benefit and structural changes, and economic conditions.

In addition, the Board of Directors has delegated to the Staff certain authority that pertains to the ongoing management and administration of Kerrville EIC invested assets and various investment programs.

2. Scope

This Policy will govern the investment of all the financial assets (including, but not limited to the three funds: Sales Tax Improvement, EIC Debt Service and EIC Projects) of the EIC, with the exclusion of real-estate assets

3. Goals and Objectives

Investment of EIC funds shall be governed by the following investment objectives, in their order of priority:

a. Safety

Safety of principal is the foremost objective of the investment program. Investment shall be undertaken in a manner that seeks to ensure the preservation of capital and avoids security defaults or erosion of market values. To attain this objective, diversification will be used to limit potential losses on individual securities.

b. Liquidity

The investment portfolio will remain sufficiently liquid to enable EIC to meet all operating requirements that might be reasonable anticipated. Ongoing cash flow analysis will be used to identify changing liquidity needs and anticipate cash needs. A liquidity buffer of cash equivalent investments should be maintained to meet unanticipated liabilities.

To the extent possible, EIC will attempt to match its investment maturities with anticipated liabilities and cash flow requirements. EIC will not directly invest in any securities maturing more than two (2) years from the date of purchase.

To reflect overall cash flow requirements and risk tolerance levels of EIC, the weighted average maturity of the overall portfolio shall not exceed 185 days.

c. Diversification

In order to minimize investment and market risk, EIC will diversify its investments by security type and maturity. The portfolio will be designed to avoid unreasonable risks within one market sector or from an individual financial institution.

d. Yield

EIC's investment portfolio shall be designed with the objective of attaining a reasonable yield throughout budgetary and economic cycles, commensurate with investment risk constraints and the cash flow characteristics of the portfolio. The portfolio(s) risk shall be measured quarterly against a benchmark which is based on anticipated cash flow analysis and the authorized portfolio structure. The overall portfolio shall have a maximum weighted average maturity of 185 days. To measure the overall risk of the portfolio, a benchmark of the 26 week Constant Maturity Treasury Bill plus 10% shall be reported.

4. Investment Strategy

All EIC funds are to be commingled in one portfolio for investment purposes and efficiency. The investment strategy of the portfolio has as its primary objective to assure that anticipated cash flows are matched and adequate liquidity maintained with minimal volatility. The portfolio will be structured with high credit quality, short and intermediate term securities to minimize market, liquidity, and credit risks. The maximum dollar weighted average maturity of the portfolio will be ~~one-year~~ 185 days calculated on stated maturity dates.

5. Investment Officers

Under the Administrative Services Contract between EIC and the City, the Investment Officer designated for the City shall act as the Investment Officer of the EIC. The Board may designate additional qualified employees or an SEC Registered Investment Advisor, as Investment Officer(s). The designation of all Investment Officers shall be by Board resolution. Authority and designation as Investment Officer is effective until rescinded by the EIC, expiration of the officer's term, or until termination of employment.

All Investment Officer(s) shall be familiar with this Policy and its underlying procedures. No Investment Officer may engage in an investment transaction except as provided under the terms of this Policy and its supporting procedures.

A trading resolution is established by adoption of this Investment Policy authorizing the Investment Officer(s) to engage in investment transaction on behalf of the EIC. The persons so authorized to transact business are also authorized to approve wire transfers used in the process of investing.

Training

All Investment Officer(s) shall attend ten (10) hours of training in accordance with the Act within twelve (12) months of assuming responsibilities and attend (10) hours of training in each successive two-year period. Training costs shall be provided by the EIC with Board approved training courses. Training should include topics such as investment controls, security risk, market risks, diversification of the investment portfolio and compliance with State laws.

6. Standard of Care

The standard of care to be used by the Investment Officer(s) shall be the "prudent person standard" and shall be applied in the context of managing the overall portfolio, rather than a consideration as to the prudence of a single investment; and whether the investment decision was consistent with this Investment Policy. The standard states:

Investment shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of their own affairs, not for speculation but for investment, considering the probable safety of the capital and the probable income to be derived.

Investment Officer(s) acting in accordance with the Investment Policy and exercising due diligence, shall be relieved of personal liability for an individual security's credit risk or market price change, provided that deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

An investment officer who has any personal or business relationship with a business organization offering to engage in an investment transaction with the EIC shall file a statement disclosing that personal business interest to the Board.

7. Standard of Ethics

Investment Officer(s) shall act as custodians of the public trust and shall refrain from any transaction that might involve a conflict of interest or the appearance of a conflict of interest, or any activity that might otherwise discourage public confidence. Investment Office(s) shall refrain from personal business activity that could conflict with proper execution of the investment program or that could impair their ability to make impartial investment decisions.

An Investment Officer who has a personal or business relationship with an individual or organization seeking to sell an investment to the EIC shall file a disclosure statement with the Texas Ethics Commission and the Board.

8. Investment Advisors, Investment Pools, and Broker/Dealers

The EIC recognizes that all investment decisions regarding the portfolio are ultimately the responsibility of the Board. However, all investment advisors and broker/dealers conducting business with the EIC shall make every reasonable effort to adhere to the spirit, philosophy, and specific terms of this Investment Policy.

Broker/Dealers

A list of not less than five authorized broker/dealers (or banks) shall be maintained to assure a competitive process. The Investment Officer(s) will establish the criteria, monitor the service, and evaluate the broker/dealers based on their experience and responsiveness to the City's requests for service and information.

Financial Institutions and broker/dealers who desire to transact business with the EIC must supply the following documents to the Investment Officer or Investment Advisor (as applicable):

- Current year audited financial statements

- Financial Institutions Regulatory Agency (FINRA) certification and FINRA's Central Depository Registration (CRD) number.
- Proof of Texas State Securities registration.

Broker/dealers shall provide timely trade documentation and confirmations.

Certification

Before transacting any business with the EIC, the Investment Officer shall present each broker/dealer with a current copy of the EIC's Investment Policy and an authorized representative of the firm shall, in writing, certify substantially to the effect that:

1. the broker/dealer has received and reviewed the Investment Policy, and
2. the firm has implemented reasonable procedures and controls to preclude investments with the EIC not authorized by the Policy.

The EIC shall not enter into any investment transaction with a broker/dealer prior to receiving the certification.

If material changes are made to the Investment Policy, an updated copy shall be provided to the authorized broker/dealer for re-certification.

Investment Advisor (Investment Manager)

The EIC may contract with another investing entity registered under the 15 U.S.C. Section 80b-1 et seq. to invest its funds. The Adviser will be held to the same standards of this Policy as the Investment Officer.

Investment advisors shall be registered with the U.S. Security and Exchange Commission and shall provide their SEC ADV Form to the EIC on an annual basis.

The EIC shall present investment advisors with a current copy of the Investment Policy and an authorized representative of the firm shall, in writing, certify substantially to the effect that:

1. the applicable advisors have received and reviewed the EIC's Investment Policy, and
2. the firm has implemented reasonable procedures and controls to preclude investments with the EIC not authorized by the Policy.

The EIC shall not enter into any investment transaction with an investment advisor prior to receiving the certification.

9. Authorized Investments

Authorized investments under this Policy shall be limited to the instruments listed below as further described by the Act.

- a. Obligations of the United States Government, its agencies and instrumentalities, excluding mortgage backed securities, with a stated final maturity not to exceed two (2) years.
- b. Obligations of the State of Texas, its agencies or political subdivisions, excluding mortgage backed securities, with a stated final maturity not to exceed ~~five (5)~~ two (2) years.
- c. FDIC insured certificates of deposit from banks doing business in Texas with a final stated maturity not to exceed twelve (12) months. Certificates of deposit shall be guaranteed or insured by the Federal Deposit Insurance Corporation or its successor.
- d. Share certificates of credit unions doing business in Texas and insured by the National Credit Union Share Insurance Fund or its successor and not to exceed twelve (12) months to maturity.
- e. AAA-rated, SEC registered money market mutual funds, striving to maintain a \$1 net asset value.
- f. Constant-dollar, AAA-rated Texas Local Government Investment Pools (namely TexPool/TexPool Prime/TexStar), approved by resolution of the Board and conforming in every respect to the Act.

The EIC investment in any investment pool shall not exceed ten percent of the total assets of the pool.

- g. Fully collateralized repurchase agreements transacted with a primary securities dealer as defined by the Federal Reserve, under a written Master Repurchase Agreement, with a defined termination date, secured by obligations as defined by this Policy held by an independent third party custodian approved by the EIC, and with a stated final maturity not to exceed one hundred eighty (180) days.
- h. FDIC insured demand deposit accounts in banks doing business in Texas under a written depository agreement.

Diversification by investment instrument shall not exceed the following guidelines for each type of instrument:

	Percentage of Portfolio (<u>Maximum</u>)
U.S. Treasury Obligations	100%
U.S. Government Agency Securities and Instrumentalities of Government-Sponsored Corporations	80%
Local Government Investment Pool	100%
Fully Insured Certificates of Deposit	100%
Fully Collateralized Repurchase Agreements	10%
SEC-Regulated No-Load Money Market Mutual Funds	50%
Obligations of States, Agencies, Counties, Cities	20%

If additional types of securities are approved for investment by public funds by state statute, they will not be eligible for investment by the EIC until this policy has been amended and the amended version adopted by the Board.

Delivery versus Payment

All security transactions shall be transacted on a delivery versus payment (DVP) basis in order to ensure that the EIC has total control of its investments and its funds at all times.

Competitive Bidding

All investment transactions, including certificates of deposit, will be made on a competitive basis to assure that the EIC is receiving fair market prices.

10. Collateralization

The EIC is not a “public unit” as defined by FDIC regulations and is therefore not eligible to have pledged collateral from a bank. Bank time and demand deposits must be maintained under the FDIC insured limit, currently \$250,000 per bank holding company.

Repurchase Agreement- Owned Collateral

Collateral under a master repurchase agreement is owned by the EIC under a buy-sell transaction. It will be held by an independent third party safekeeping agent approved by EIC under an executed Master Repurchase Agreement. Collateral with a market value totaling 102% of the principal and accrued interest is required and the counter-party is responsible for the monitoring and maintaining of collateral and margins at all times.

11. Safekeeping and Custody of EIC Owned Securities

The laws of the State, this Policy, and prudent treasury management require that all securities be settled on a delivery versus payment basis and be held in safekeeping by an independent third party financial institution approved by the EIC. EIC shall contract with its banking services depository or another financial institution(s) as Custodian for the safekeeping of any securities owned. The designated Custodian will be responsible for the clearing and safekeeping of all security trades and will provide a monthly report of holdings. All securities held by the Custodian on behalf of the EIC shall be evidenced by a safekeeping receipt.

12. Internal Control

The Investment Officer(s) shall maintain a system of internal controls over the investment activities and subordinate employees. The control shall be designed to address fraud, employee error, misrepresentation by third parties, unanticipated market changes, and imprudent actions. Controls deemed most important would include: control of collusion, separation of duties, custody and safekeeping, delegation of authority, securities losses and remedial actions, and documentation on all transactions.

The quarterly investment reports shall be reviewed annually by the City's independent auditor as part of the City's annual audit process. Any irregularities shall be reported to the Board.

Cash Flow Forecasting

Cash flow forecasting is a control designed to protect and sustain cash flow requirements. The Investment Officer(s) will maintain a cash flow forecasting process designed to monitor and forecast cash positions for investment purposes.

13. Investment Monitoring and Control

The Board of Directors of Kerrville EIC has the responsibility to ensure that investments are being managed properly. The Board delegates to the Investment and Finance Committee the responsibility of meeting on at least a quarterly basis with investment managers to review performance and to report back to the Board with its findings.

The Investment and Finance Committee and the investment managers will review this statement of investment objectives and guidelines periodically.

14. Responsibilities

A. The Board of Director's responsibilities include, but are not limited to:

1. Developing and recommending policies to achieve Kerrville EIC strategic objectives.
2. Periodically reviewing and amending the Policy, as appropriate.
3. Recommending Policy for Board of Directors consideration.
4. Reviewing policy recommendations made by Staff.
5. Periodically reviewing the Policy and recommending revisions, as appropriate.

B. The Staff's duties include, but are not limited to:

1. Periodically reviewing the Policy and making recommendations to the Board of Directors regarding new Policy development, Policy revisions or amendments, policy elimination, and any other aspect that the Staff considers pertinent regarding Policy development.
2. Engaging with other Staff, consultants, and other pertinent parties, to seek advice and counsel regarding investment strategy and investment results.

3. Developing and maintaining an up-to-date procedures manual.
4. Implementing and adhering to all policies.

C. The independent investment consultants' responsibilities include, but are not limited to:

1. Providing independent review, analysis, and recommendations regarding the development and revision of Policy to ensure overall consistency, use of best practices, a system wide approach, and implementation of Kerrville EIC policies.
2. Reporting to the Board of Directors as appropriate.

15. Reporting

Not less than quarterly, the Investment Officer(s) shall report to the Board regarding the EIC's investment activities for the quarter in compliance with the Act. The reports shall contain sufficient information to permit an informed outside reader to evaluate the performance of the investment program. At a minimum the report shall include:

- description of each investment and depository position,
- book and market values at the beginning and end of the reporting period
- the change in market value during the period
- book value and market value of each separately invested asset at the beginning and end of the reporting period
- interest earnings for the period
- overall yield in comparison to its benchmark yield for the period
- maturity date of each separately invested asset that has a maturity date.

Market prices for market value calculations shall be obtained from independent sources. The quarterly report shall be signed by the Investment Officer and Investment Advisor, as applicable.

16. Depositories

The EIC will designate one banking institution through a competitive process as its central banking services provider at least every five (5) years or utilize the banking services under the existing City contract. This institution will be used for normal banking services including disbursement, deposits, and safekeeping of securities.

Other banking institutions from which the EIC may purchase certificates of deposit will also be designated as depositories.

17. Policies and Strategy Review

The Board shall review and adopt the Investment Policy and incorporated Investment Strategy not less than annually. The Board shall adopt a written instrument by resolution

stating that it has reviewed the Policy and Strategy and the adopting resolution shall record any changes made.

APPENDIX A
CERTIFICATION OF BROKER/DEALER

I hereby certify that I have personally read and understand the investment policy of the Kerrville Economic Improvement Corporation (KEIC) and have implemented reasonable procedures and controls designed to fulfill these objectives and conditions. Transactions between this firm and the KEIC will be directed toward precluding imprudent investment activities and protecting the KEIC from credit and market risk.

This firm pledges due diligence in informing the KEIC of foreseeable risks associated with financial transactions connected to this firm.

I attest that I am a qualified representative of this firm, authorized to sign on its behalf.

Firm:

Signature

Name:

Title:

Date:

**Economic Improvement Corporation
Kerrville, Texas
Investment Strategy
January 17, 2011**

1. Scope

While the Investment Strategy is an integral part of the administration of the investment activities of the Economic Improvement Corporation (EIC), it is subordinate to the EIC's Investment Policy. As such, no portion of this strategy or any future adopted strategy shall override or circumvent the spirit, philosophy, or specific terms of the EIC's Investment Policy.

The purpose of the Investment Strategy is to guide the day-to-day administration of the investment activities of the EIC in meeting the investment objectives of the Investment Policy.

2. Investment Pool

The EIC maintains a cash and investment pool that is available for use by all funds under the management of the EIC. Each fund's portion of the Pool is reported as "equity in investment pool." Earnings from the pooled investments are allocated monthly based on each fund's average monthly balance. Funds that incur a negative equity balance are not allocated nor charged any interest.

The pooling method is an efficient means for managing EIC funds. For that reason, all EIC funds will be included in the pool unless otherwise required by the Corporation, state or federal regulations, or applicable bond resolution requirements.

3. Suitable Investments

The following are currently considered suitable investments by the EIC, as subject to PFIA.

a. United States Government Obligations

Beside U.S. Treasury Bills and Notes, the City shall limit investments in government obligations to the following federal agencies:

1. Federal Home Loan Bank Notes (FHLB)
2. Federal National Mortgage Association Notes (FNMA, Fannie Mae's)
3. Federal Home Loan Mortgage Corporation Notes (FHLMC, Freddie Macs)
4. Federal Farm Credit Bank Notes (FFCB)

- b. Fully collateralized or insured Certificates of Deposit
- d. Money Market Mutual Funds with AAA-rating
- e. Constant Dollar AAA or AAA-m rated Investment Pools
- f. Fully collateralized Repurchase Agreements (Repos)
- g. Fully collateralized or insured demand deposit accounts

4. Strategy

It is the investment strategy of the EIC to closely monitor and anticipate the cash flow needs of the organization in order to keep as much of the EIC's available funds invested in highly credit worthy, highly liquid, short-term investments.

a. Cash flow

Investment Officers shall monitor and project the EIC's cash flow needs on a monthly basis. Funds that can be reasonably identified as available for investment, should be invested as soon as possible in order that the EIC receives the highest daily rate of return possible given the constraints of the Investment Policy and this Investment Strategy.

Fund 40 – Sales Tax Improvement Fund

The Investment Officer(s) shall keep 110% of the next month's projected expenditures in the checking account and all other funds to be invested in TexPool or other appropriate instruments to generate the maximum return. The assigned fund balance shall be laddered up to one year.

Fund 43 – EIC Debt Service Fund

The Investment Officer shall maximize the purchase of instruments with maturity dates a month prior to debt service and interest payments. The Investment Officer(s) shall keep 110% of the next month's projected expenditures in the checking account.

Fund 75 - EIC Projects Fund

The Investment Officer ladder investments to coincide with progress of the projects. The Investment Officer(s) shall keep 110% of the next month's projected expenditures in the checking account.

b. Diversification by Security Type

In order to avoid a high concentration of EIC funds in any single investment type, Investment Officers shall diversify the City's investment portfolio based on the guidelines stated in the Investment Policy. As a

result, Investment Officers may have to invest funds in a lower-yielding security type to achieve diversification requirements.

c. Maturities

It is the intent of the EIC that investment activities achieve a short-term market rate of return exceeding 10% of the 6 month Treasury Bill. Investing in long-term maturities increases the market risk for the EIC. Therefore, Investment Officers shall maintain a weighted average maturity of not more than 185 days based on the EIC's total portfolio value. In no case shall Investment Officers purchase a single investment with a stated maturity greater than 2 years. Except for those instances described in the Investment Policy, Investment Officers shall invest based on the following table:

<u>Security Type</u>	<u>Maximum Maturity From Date of Purchase</u>
United States Government Obligation	2 years
Certificates of Deposit	12 months
Fully collateralized Repurchase Agreements (Repos)	12 months

5. Purchasing Procedures

Investment Officers shall maintain at least five qualified broker/dealers with which to transact investment purchases. Where possible, Investment Officers shall attempt to obtain competitive yield quotes by specific security type and maturity. When the situation arises where competitive quotes can not be reasonably obtained, the Investment Officers will purchase the security most closely matching what he or she believes to offer the best yield-to-maturity based on current overall short-term market performance.

In any case, to avoid any conflict of interest or any appearance of a conflict of interest, the Investment Officers shall make every reasonable attempt to gather competitive quotes on similar security types and maturities for all investment purchases.

Agenda Item:
(Staff)

- 3D. A resolution granting a peddler license for use of the city's right-of-ways.

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

SUBJECT: Resolution Granting a Licensed Peddler Limited Use of City Right of Way for Ice Cream Sales

FOR AGENDA OF: April 12, 2011 **DATE SUBMITTED:** April 1, 2011

SUBMITTED BY: Kevin Coleman *VC* **CLEARANCES:** Kristine Ondrias

EXHIBITS: Application from Robert Bernal
Chapter 78, Section I of the City's Code of Ordinances
Proposed Resolution

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: *JP*

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

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE:

SUMMARY STATEMENT

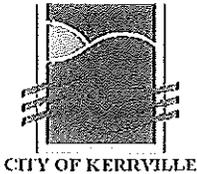
Under this item, per the Sec 78-2 of the Code of Ordinances, City Council will consider a request from Roberto Bernal to sell prepackaged ice cream using City controlled public right-of-way.

The attached resolution will allow this vendor to sell on or from any City owned rights-of-way with the following restrictions:

- Grant of ROW use restricted to 12 noon through dusk.
- Grant of ROW use restricted to 4pm through dusk if within 300 feet of schools and/or licensed day care facilities.
- Grant of ROW use restricted to residential streets only.
- All vehicles and operators must obey all applicable local and state traffic laws, vehicle registration requirements and operator licenses.
- No sales allowed on or from other property, public or private, without express permission of the owner(s) of that property.
- Operators shall meet all requirements of all applicable city codes.
- Applicants and agents shall be subject to a background check by the City of Kerrville prior to peddling.

RECOMMENDED ACTION

Approve resolution as presented.



City of Kerrville - Peddler/Solicitor-Application

*Please present a copy of State issued drivers license/I.D., sales tax I.D. certificate, letter from property owner authorizing business to promote or sell products and/or leasing agreement letter.

NAME OF ESTABLISHMENT: _____

Individual Partnership Corporation Non-Profit

Sales Tax I.D. 3-20331-7262-1

Owner's Name: ROBERTO F BERNAL

Type of Business: ICE CREAM

Phone 830 995-5311 Fax#: _____

Address of Establishment: Mobile
City, State, Zip Kerrville E-mail _____

OPERATOR INFORMATION

Name: ROBERTO F BERNAL Drivers License #: 07471252

Phone # 830-995-5311 Fax # _____

Address: 109 WALL ST.
City, State, Zip Comstock TX 78013

List additional employees on back

*****\$ 750.00 Deposit required if money taken for sale prior to receipt of merchandise*****

Peddlers & Solicitors Each additional person/vehicle
\$600.00 per year #01-6466 ✓ \$100.00 per year _____
\$750.00 Deposit #01-6466 _____ \$10.00 per month _____

Carnival \$0.00 Exempt
\$100.00 #01-6466 _____

Address of sale: _____

Date(s) of Operation: 7 day a week 2PM - 9 PM

Time(s) of Operation: 2 PM - 9:00 PM

Are you selling on private property? Yes No

If, yes, provide a letter of permission from the property owner.

APPROVAL: _____

Date _____

TEXAS SALES AND USE TAX PERMIT

This permit is not transferable, and this side must be prominently displayed in your place of business.

Merchants: A copy of this permit does not replace a resale or exemption certificate. You will be responsible for sales tax unless you have a valid resale, exemption certificate on file.

You must obtain a new permit if there is a change of ownership, location, or business location name.

TAXPAYER NAME, BUSINESS LOCATION NAME, and PHYSICAL LOCATION

BERTO F BERNAL
BETOS
ICE CREAM
109 WALL ST
COMFORT

Betos Ice Cream
109 Wall St.
Comfort

TX 78013-2428

Type of permit	SALES AND USE TAX
Taxpayer number	3-20331-7262-1
Location number	00001
First business date	06/20/2007

S CODE: 722330

DESCRIPTION ON NEXT LINE:

Food Services

IN THIS BUSINESS IN THE FOLLOWING LOCAL SALES TAX AUTHORITIES:

KENDALL

EFF: 06/20/2007

Susan Combs
SUSAN COMBS
Comptroller of Public Accounts

YOU MAY NEED TO COLLECT SALES AND/OR USE TAX FOR OTHER LOCAL TAXING AUTHORITIES DEPENDING ON YOUR TYPE OF BUSINESS.

If you have any questions regarding sales tax, you may contact the Texas State Comptroller's field office in your area or call 1-800-252-5555, toll free, nationwide. The Austin number is 512/463-4600.

POST IN A CONSPICUOUS PLACE



HEALTH DEPARTMENT LICENSE



This is to certify that Betos Ice Cream No. 11 097

has complied with the rules and regulations of the Department and is hereby granted this LICENSE which entitles him/her to conduct

Food sales at 109 Wall St, Comfort, TX 78013

and this License is to remain in full force until December 31, 2011 unless sooner revoked for non-compliance of the rules and regulations of this Department

Don Heller

Mayor City of Boerne

Stephen P. Edwards

Kendall County Judge

Issued this date Jan 5, 20 11

Brenda Bell

Brenda J. Bell, Registered Sanitarian #3514, Health Officer

Kerrville, Texas, Code of Ordinances >> PART II - CODE OF ORDINANCES >> Chapter 78 -
PEDDLERS AND SOLICITORS >> ARTICLE I. - IN GENERAL >>

ARTICLE I. - IN GENERAL

Sec. 78-1. - Definitions.

Sec. 78-2. - Street sales.

Sec. 78-3. - Open air markets.

Sec. 78-4. - Penalty.

Secs. 78-5--78-30. - Reserved.

Sec. 78-1.- Definitions.

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Canvasser and solicitor mean one who takes orders for future deliveries, or for services, or solicits subscriptions, in public places or from house to house or store to store and not from an established place on private premises (solicitation of funds or orders by telephone is not considered canvassing in this sense of the word.)

Itinerant merchant and vendor mean one who:

- (1) Sells, offers for sale, or takes orders for the sale of any goods or merchandise or exhibits the goods or merchandise for such purposes and who, for the purpose of carrying on such activities, rents or occupies any room or space in any building, structure or other enclosure, or rents or occupies any space on land not in any such building or structure in the city; and
- (2) Rents, leases, subleases or occupies such property or space for less than one year.

Peddler means a person who sells or offers for sale tangible merchandise from house to house, store to store, or on the sidewalks or in any public place including those located on private premises; his sales are not made from one established spot excepting where they are made on a sidewalk or other public place including those located on private premises and he makes delivery at the time of the sale. Whether or not he collects at the same time is immaterial.

Public place means those places which are not located in a permanent building structure and to which the public or a substantial group of the public has access and includes, but is not limited to, streets, highways, parking lots, vacant lots and sidewalks.

(Ord. No. 86-62, § 1, 1-13-1987; Ord. No. 91-12, 4-23-1991; Code 1968, art. 8-IV-1)

Cross reference— Definitions generally, § 1-2.

Sec. 78-2.- Street sales.

No licensee under this chapter shall ply his vocation on any public right-of-way or property unless approved by the city council.

(Ord. No. 86-62, § 5, 1-13-1987; Ord. No. 91-12, 4-23-1991; Code 1968, art. 8-IV-5)

Sec. 78-3.- Open air markets.

Each owner or operator of an open air market approved by special use permit shall be required to furnish the city clerk and the state comptroller's office a list of each person, firm or corporation leasing or occupying space in the market and the information required by section 78-32(a) and (b) for each lessee or occupant. Each owner or operator shall state with his information, the times and days that those lessees or occupants shall be present to offer for sale their merchandise.

(Ord. No. 91-12, 4-23-1991; Code 1968, art. 8-IV-6)

Sec. 78-4.- Penalty.

Any person violating any of the provisions of this chapter shall be guilty of a misdemeanor, and shall be subject to the penalties provided for in section 1-7. A separate offense shall be deemed committed each day on which a violation occurs or continues.

(Ord. No. 86-62, § 7, 1-13-1987; Ord. No. 91-12, 4-23-1991; Code 1968, art. 8-IV-8)

Secs. 78-5—78-30.- Reserved.

CITY OF KERRVILLE, TEXAS
RESOLUTION NO. ____-2011

**A RESOLUTION GRANTING A LICENSE FOR USE OF THE CITY'S
RIGHT-OF-WAYS**

WHEREAS, Chapter 78 of the City Code of Ordinances (the "Code") regulates peddlers and specifically, prohibits the use of City right-of-ways for sales unless approved by the City Council; and

WHEREAS, a vendor seeking to use City right-of-ways has requested approval from the City Council to sell prepackaged ice cream within the City and upon City right-of-ways; and

WHEREAS, the City Council hereby finds that a public purpose exists to support the granting of a peddler license for this activity and subject to the conditions specified below;

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

SECTION ONE. The City Council grants a peddler license to Roberto Bernal for him to use the City's right-of-ways, such authority subject to the following terms:

- a. the authority is granted Roberto Bernal ("License Holder"), for his use and use alone. The authority granted herein shall not apply to anyone else, including agents or employees of the License Holder;
- b. the authority granted herein is applicable only to residential streets;
- c. the use of City right-of-ways and sales conducted thereon is restricted to between the time period of 12:00 P.M. through dusk and sales are restricted to between the time period of 4:00 P.M. through dusk where such sales would occur within 300 feet of a school or licensed day care facility for children;
- d. The License Holder shall obey applicable state and local traffic laws, vehicle registration requirements, and operator licenses;
- e. The License Holder shall comply with all other City Codes, including the City's regulations applicable to food sales (Ch. 58 of the Code) and peddlers (Ch. 78 of the Code).
- e. The License Holder shall be subject to paying the applicable fees and submitting information for the City to conduct a background investigation prior to peddling.
- f. No sales are allowed on or from other property, public or private, without the express permission of the owner(s) of that property.

SECTION TWO. This Resolution and the authority granted hereby shall automatically expire and be revoked on January 1, 2012.

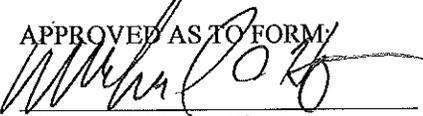
PASSED AND APPROVED ON this the _____ day of _____, A.D., 2011.

ATTEST:

David Wampler, Mayor

Brenda G. Craig, City Secretary

APPROVED AS TO FORM



Michael C. Hayes, City Attorney

Agenda Item: **(Staff)**

- 4A. An ordinance amending Chapter 74 "Parks and Recreation", Article I "Rules and Regulations for City Park and Recreation Areas" of the Code of Ordinances of the City of Kerrville, Texas, by amending various sections to revise operating hours, establish use restrictions for the boardwalk pavilion, address age requirements for the use of the swimming pool, clarify the prohibition of the use of motor vehicles within the city parks, and make the alcohol regulations within Kerrville Schreiner Park consistent with other city parks; containing a cumulative clause; containing a savings and severability clause; providing a penalty; and providing other matters relating to the subject.

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

SUBJECT: Second Reading of an ordinance amending Chapter 74, Article I of the City's Code of Ordinances regarding park regulations

FOR AGENDA OF: April 12, 2011

DATE SUBMITTED: March 31, 2011

SUBMITTED BY: Malcolm Matthews
Director of Parks and
and Recreation

CLEARANCES: Kristine Ondrias
Assistant City Manager

EXHIBITS: Ordinance

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER:

Expenditure	Current Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$0	\$0	\$0	N/A

PAYMENT TO BE MADE TO: N/A

REVIEWED BY THE FINANCE DIRECTOR:

SUMMARY STATEMENT

Certain park regulations require specific ordinances for operational, legal and law enforcement purposes. These generally include the hours that parks and facilities are open and closed to the public, what activities are prohibited, and any specific protective measures needed beyond administrative park rules and procedures. A few ordinances currently in the City Code are either not consistent with the historical, reasonable practice being implemented in the field or specific ordinance language needs updating. Upon review of our park related ordinances, City staff and the Parks and Recreation Advisory Board concur that certain ordinances should be amended in order to provide the user public and City staff with consistent, effective, and enforceable rules.

These recommended changes have taken into account the following: 1) is current ordinance language not practical for park users or the City, 2) is ordinance language not being enforced for a justifiable reason, 3) are specifics in an ordinance outdated, or 4) are we better served transitioning all or part of an ordinance to an administrative park rule that can be adjusted periodically by staff based upon changing conditions. The recommended ordinance revisions address park hours of operation, updating vehicle restrictions in parks, transferring certain swimming pool regulations from ordinance to administrative rules, and the allowance or restriction of alcohol in certain parks. The recommended changes were presented to the City Council on February 22nd and the first reading of the ordinance was

passed on March 22nd.

RECOMMENDED ACTION

Staff recommends approval of the Second Reading of the ordinance amendments.

**CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2011-_____**

AN ORDINANCE AMENDING CHAPTER 74 "PARKS AND RECREATION", ARTICLE I "RULES AND REGULATIONS FOR CITY PARK AND RECREATION AREAS" OF THE CODE OF ORDINANCES OF THE CITY OF KERRVILLE, TEXAS, BY AMENDING VARIOUS SECTIONS TO REVISE OPERATING HOURS, ESTABLISH USE RESTRICTIONS FOR THE BOARDWALK PAVILION, ADDRESS AGE REQUIREMENTS FOR USE OF THE SWIMMING POOL, CLARIFY THE PROHIBITION OF THE USE OF MOTOR VEHICLES WITHIN CITY PARKS, AND MAKE THE ALCOHOL REGULATIONS WITHIN KERRVILLE SCHREINER PARK CONSISTENT WITH OTHER CITY PARKS; CONTAINING A CUMULATIVE CLAUSE; CONTAINING A SAVINGS AND SEVERABILITY CLAUSE; PROVIDING A PENALTY; AND PROVIDING OTHER MATTERS RELATING TO THE SUBJECT

WHEREAS, the City Council of the City of Kerrville, Texas, pursuant to Ordinance 2004-24, previously adopted rules and regulations for the City's parks and recreational areas, which rules and regulations are found within Chapter 74 of the City's Code of Ordinances; and

WHEREAS, the City Council now wishes to amend those rules and regulations by adopting revising various sections of the rules and regulations; and

WHEREAS, the City's Parks and Recreation Advisory Board has considered all proposed revisions and voted to approve each one specified within this Ordinance; and

WHEREAS, the City Council of the City of Kerrville, Texas, finds it to be in the public interest to amend Chapter 74 of the Code of Ordinances of the City of Kerrville, Texas, to amend various sections regarding operating hours, the Boardwalk Pavilion, age requirements for admittance into the swimming pool, use of motor vehicles, and the use of alcohol within Kerrville Schreiner Park;

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

SECTION ONE. Chapter 74 "Parks and Recreation", Article I "Rules and Regulations for City Park and Recreation Areas" of the Code of Ordinances of the City of Kerrville, Texas, is amended by amending Section 74-5 by adding the language that is underlined (added) and deleting the language that is bracketed and stricken (~~deleted~~) as follows:

"Sec. 74-5. Opening and closing hours.

(a) Except as provided hereafter and with the exception of the pavilions within Louise Hays Park and Kerrville Schreiner Park and the Boardwalk pavilion, all City parks and recreation areas shall be open daily to the public between dawn ~~[during the hours of 7:30~~

~~a.m.]~~ and 11:00 p.m. Each City park and recreation area shall be closed to the public from 11:00 p.m. to dawn, ~~[7:30-a.m.]~~ and also as otherwise closed by orders of the director for the purpose of rehabilitation, cleaning, general supervision, or to protect the health, safety, and welfare of the public.

(b) The Louise Hays Park pavilion may be used by the public or reserved for exclusive use pursuant to a written agreement with the City. The operating times for the pavilion, pursuant to written agreement or otherwise, shall be from dawn ~~[7:30-a.m.]~~ to 9:00 p.m. Sunday through Thursday, and from dawn ~~[7:30-a.m.]~~ to 10:00 p.m. on Friday or Saturday. Users of the pavilion, including those using the pavilion pursuant to a written agreement, shall remove all property and trash prior to the closing time. Following the closing time, no person is permitted to use or to remain within or enter the pavilion. Violators shall be subject to trespassing and the issuance of a citation.

(c) The Boardwalk pavilion may be used by the public or reserved for exclusive use pursuant to a written agreement with the City. The general operating times for the pavilion shall be from dawn to 9:00 p.m. Sunday through Thursday and from dawn to 10:00 p.m. on Friday or Saturday. The pavilion, pursuant to written agreement, may be reserved for exclusive use, but only from 6:00 p.m. to 9:00 p.m. Monday through Friday and 1:00 p.m. to 9:00 p.m. on Saturdays, Sundays, or holidays. The consumption and display of alcohol is prohibited on the Boardwalk, pavilion, or adjacent public property unless authorized in writing by the City pursuant to a rental agreement or special event permit from the City. Users of the pavilion, including those using the pavilion pursuant to a written agreement, shall remove all property and trash prior to the closing time. Following the closing time, no person is permitted to use or to remain within or enter the pavilion. Violators shall be subject to trespassing and the issuance of a citation.

~~(e)d~~ It shall be unlawful for any person to enter, loiter, or remain within any City park and recreation area between the hours of 11:00 p.m. and dawn ~~[7:30-a.m.]~~, except as provided for in this section, which exceptions shall constitute an affirmative defense to violations of this section. The provisions of this section shall not apply to:

- (1) Persons whose presence is authorized pursuant to a written City permit or agreement.
- (2) Persons participating in or attending events, activities, or programs previously approved or scheduled by the parks and recreation department and remaining in the locale until the event, activity, or program has concluded; or
- (3) Persons possessing a permit to camp in those areas duly designated for such activities by the director.

⋮

(g) For purposes of this section, "dawn" is defined as being one-half (1/2) hour before sunrise."

SECTION TWO. Chapter 74 “Parks and Recreation”, Article I “Rules and Regulations for City Park and Recreation Areas” of the Code of Ordinances of the City of Kerrville, Texas, is amended by amending Section 74-6 by deleting the language that is bracketed and stricken (~~{deleted}~~) as follows:

~~“[Sec. 74-6. Use of City swimming pools or swimming areas by children unable to swim.~~

~~(a) It shall be unlawful for the parent, guardian, or person in custody of any minor child who is unable to swim to allow, suffer or permit such child to go into any City swimming pool or swimming area unless such child is accompanied by a person not less than 14 years of age who is capable of supervising and caring for such child, and who has agreed with such parent, guardian or person in custody of such child to be responsible for the safety of such child.~~

~~(b) For the purpose of this section, “a minor child who is unable to swim” is a child under the age of 12 years who is unable to complete, with reasonable ease, any beginner skills test officially endorsed or used by the American Red Cross.~~

~~(c) This section shall not apply to children who are participating in swimming classes being conducted by qualified swimming instructors.]”~~

SECTION THREE. Chapter 74 “Parks and Recreation”, Article I “Rules and Regulations for City Park and Recreation Areas” of the Code of Ordinances of the City of Kerrville, Texas, is amended by amending Section 74-9 by adding the language that is underlined (added) and deleting the language that is bracketed and stricken (~~{deleted}~~) as follows:

“Sec. 74-9. Overnight camping, sleeping, or parking.

With the exception of Kerrville Schreiner Park, where camping is allowed pursuant to a validly issued permit, and in other cases where a person has the written approval of the director, it shall be unlawful for any person to:

- (a) Sleep or park within any park between the hours of 11:00 p.m. and dawn, defined as being one-half (1/2) hour before sunrise, [7:30 a.m.] or during any other time that a park is closed ~~[and other time closure]~~ to the general public except designated city employees acting as attendants or caretakers or those persons with a permit from the director; or
- (b) Park a vehicle off the paved portion of a parking lot or roadway.”

SECTION FOUR. Chapter 74 “Parks and Recreation”, Article I “Rules and Regulations for City Park and Recreation Areas” of the Code of Ordinances of the City of Kerrville, Texas, is amended by amending Section 74-11 by adding the language that is underlined (added) and deleting the language that is bracketed and stricken (~~{deleted}~~) as follows:

“Sec. 74-11. Vehicles.

(a) It shall be unlawful for any person to operate or place, or cause to be operated or placed, a motor vehicle, including, an automobile, motorcycle, or all-terrain vehicle ~~[or moped]~~ within any City park and recreation area except on designated roadways or parking areas. No person shall allow a motor vehicle which he owns to be operated or placed within any City park and recreation area except on designated roadways or parking areas. This subsection shall not apply to golf carts, wheelchairs, or vehicles being used strictly for the purpose of loading or unloading freight therein or in the construction, maintenance or repair of said City park and recreation areas or with the prior written approval of the director.

⋮

(d) It shall be unlawful for a person to operate a vehicle within any City park and recreation area:

- (1) Between the hours of 11:00 p.m. and dawn, defined as being one-half (1/2) hour before sunrise ~~[7:30 a.m.]~~, except for emergency and necessary purposes; or
- (2) In an indiscriminate or unnecessary manner, including “cruising.””

SECTION FIVE. Chapter 74 “Parks and Recreation”, Article I “Rules and Regulations for City Park and Recreation Areas” of the Code of Ordinances of the City of Kerrville, Texas, is amended by amending Section 74-19 by deleting the language that is bracketed and stricken ~~[deleted]~~ as follows:

“Sec. 74-19. Additional rules applicable to Kerrville Schreiner Park.

⋮

~~[(4) It shall be unlawful to consume or display an open container of an alcoholic beverage; provided, however, that persons or groups that have paid the appropriate park fees and/or received the applicable permits, may privately consume such beverages within the areas of their vehicles, campsites and park facilities that they have been issued a permit to use.]”~~

SECTION SIX. 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 SEVEN. 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 EIGHT. 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.

SECTION NINE. The penalty for violation of this Ordinance shall be in accordance with the general penalty provisions contained in Section 1-9, Chapter 1 of the Code of Ordinances of the City of Kerrville, Texas, which provides for a fine not exceeding TWO THOUSAND DOLLARS (\$2,000.00).

SECTION TEN. Pursuant to Texas Local Government Code §52.013(a) and Section 3.07 of the City's Charter, 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.

PASSED AND APPROVED ON FIRST READING, this the ___ day of _____, A.D., 2011.

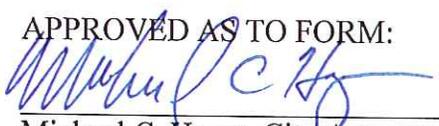
PASSED AND APPROVED ON SECOND AND FINAL READING, this the ___ day of _____, A.D., 2011.

David Wampler, Mayor

ATTEST:

Brenda G. Craig, City Secretary

APPROVED AS TO FORM:



Michael C. Naves, City Attorney

Agenda Item:
(Staff)

- 5A. Request from Ed Pollard for access easement to Lois Street across the city's property at 800 Junction Highway.

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

SUBJECT: Request from Property Owner at 816 Junction Highway for Consideration of Access Easement to Lois Street across City Property

FOR AGENDA OF: April 12, 2011 **DATE SUBMITTED:** April 1, 2011

SUBMITTED BY: Kevin Coleman *KC* **CLEARANCES:** Kristine Ondrias *KO*

EXHIBITS: Letter from Property Owner
Site Map of Property

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: *M*

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

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE:

SUMMARY STATEMENT

The owner of the property at 812 Junction Highway, formerly Vintage Granite, has requested consideration of an easement across the vacant lot adjacent to city hall to establish access from Lois Street to his property. Under this item, City Council will be asked to provide staff direction concerning this request.

Initial review by City staff raises the following concerns:

- In that the City is currently planning to vacate the existing city hall in the relocation to downtown, encumbering the property with the requested easement may limit the future use and value of the city's property.
- Given the current state of Lois Street, its current traffic load and the existing development on the street, additional traffic, particularly large truck or delivery traffic could create a traffic and/or nuisance problem for current and future residential users of the street.
- Outside of this request, the owner has not presented any current development plans for the reuse of the now vacant property making it hard to define the impact of a new access point.
- Drainage across the owner's property currently creates a drainage problem on the City's property. Resolution of this issue should be a part of any request from the owner.

Staff has scheduled a meeting with the owner of 812 Junction Highway to request and discuss any additional information available. Details of that conversation will be presented to Council at this meeting.

RECOMMENDED ACTION

Direction to staff on request.

March 16, 2011

P.O. Box 1202
Ingram, TX 78025

Jeffrey Todd Parton, City Manager
City of Kerrville
800 Junction Highway
Kerrville, TX 78028

Dear Mr. Parton:

Enclosed is a signed agreement regarding my proposed removal of hackberry trees along our common property line. Any work that I perform under this agreement will be done only on the weekends or during non-business hours for the City.

The work will not take long, and I normally would not bother the City except that access to the trees will be much easier from the City side of the fence line. The work will not damage any City improvements and the City yard will be left in a clean condition upon completion of the work.

I would also like to address another matter. I would like to acquire an easement through the City's vacant lot behind my property to Lois Street. It would be beneficial to me to be able to have a means of egress to Lois Street in a manner similar to the egress that the City Hall property now enjoys. There would be benefits to traffic movements on Junction Highway. Consider the adverse impacts to Junction Highway traffic if all of those utilizing City Hall had to both enter and exit from only the Junction Highway.

I am very interested in exploring the various options of how this secondary access can be accomplished. I welcome a call to discuss (see phone contacts below). Thank you.

Very truly yours,



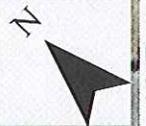
Edward R. Pollard

Encls.

Phone and fax: 830-367-3229

cell: 830-285-6706

LOIS

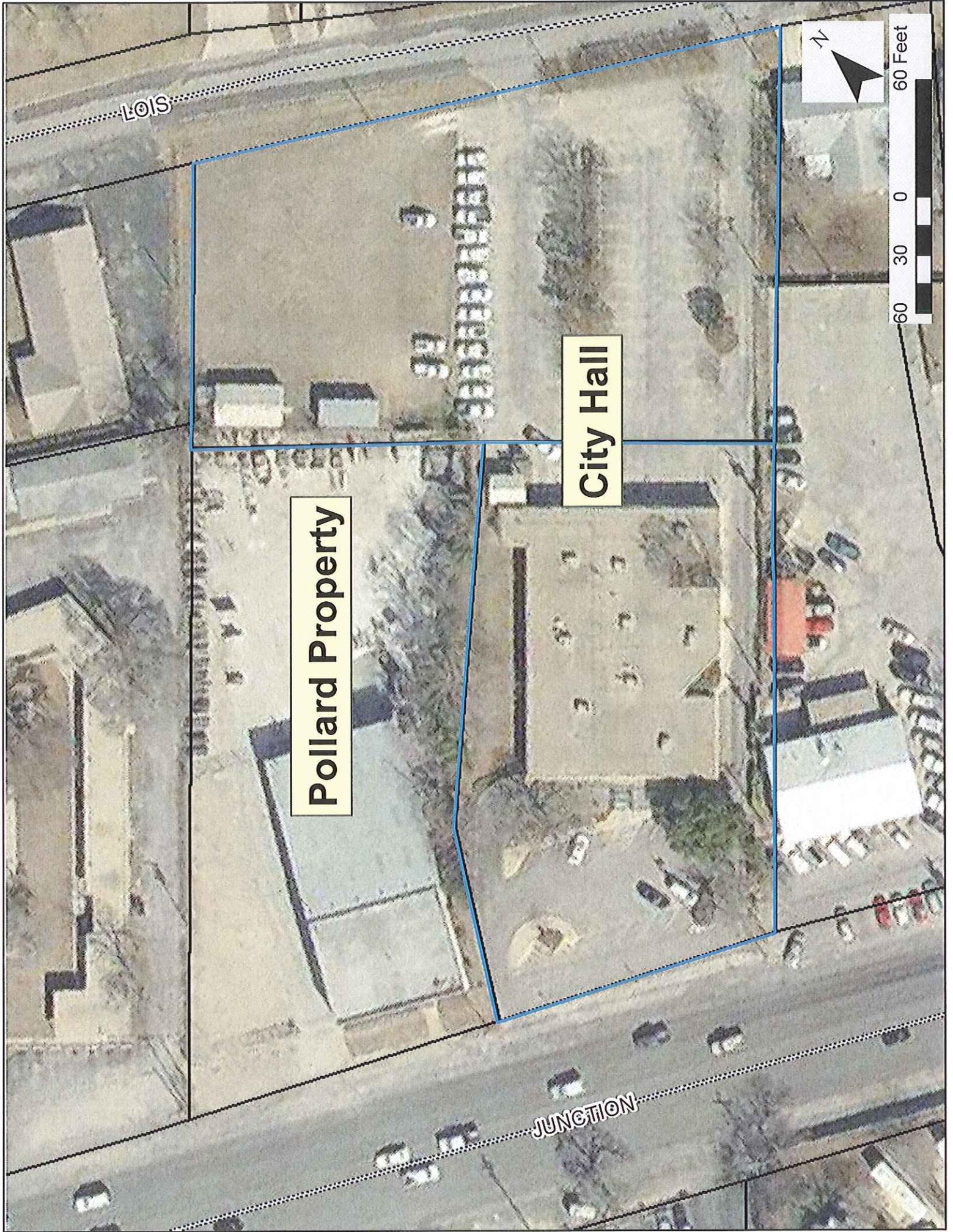


60 30 0 60 Feet

City Hall

Pollard Property

JUNCTION



Agenda Item:
(Staff)

- 5B. Food service advisory board recommendation to amend Chapter 58-Article II Food Establishments, to expand the definition of and modify the regulations that apply to mobile food vendors and commissaries.

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

SUBJECT: Recommendation from City's Food Service Advisory Board to amend Chapter 58, Article II –Food Establishments to Expand the Definition of and to Modify the Regulations that Apply to Mobile Food Vendors and Commissaries

FOR AGENDA OF: April 12, 2011 **DATE SUBMITTED:** April 1, 2011

SUBMITTED BY: Kevin Coleman  **CLEARANCES:** Kristine Ondrias 

EXHIBITS:

- Memo from Amy Ives, Code Compliance Manager, Outlining the Food Service Advisory Board (FSAB) Recommendation
- Memo from Johnna Wade, Main Street Manager, Outlining the Kerrville Main Street Advisory Board (KMSAB) Concerns
- Chapter 58, Article II of the City's Code of Ordinances

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

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

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

SUMMARY STATEMENT

Under this item, City Council will consider a recommendation from its Food Service Advisory Board (FSAB) to amend portion of the City's Retail Food Establishments Ordinance.

Under the existing code, in combination with the city's zoning, fire, building and sign ordinances, all mobile food vendors are treated the same, regardless of the product they sell and the area from which they intend to sell.

As such, current regulation creates both undue burden on and enforcement gaps in needed regulation of certain mobile food units and their servicing commissary.

The proposed changes would:

- Create an expanded definition of mobile food unit based on the product they sell and the basis of their operation.
- Create a definition of commissary as a licensed establishment.
- Outline the operational restrictions each type of mobile food vendors and/or

- commissary under permitting by the City.
- Define any separation restrictions from rights of way, existing buildings and fixed based food establishments.

The proposed changes would not effect:

- Fixed retail food establishments.
- Food vendor tied to a special event.
- Licensing requirements under the city's peddlers and solicitor's ordinance.
- Zoning restrictions on use of trailers as permanent businesses or sales in non-commercial areas.

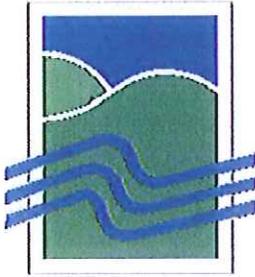
The FSAB reviewed the concerns of the KMSAB, but generally felt that the recommended separation restrictions and the need for Council approval of use of right of way would provide adequate review of vendors in downtown. However, asked staff to include KMSAB in the review of any proposed ordinance.

Staff committed to Food Service Advisory Board and Kerrville Main Street Advisory Board review of any proposed ordinance change prior to Council action.

RECOMMENDED ACTION

Review the FSAB recommendation, and

Direct staff to develop an ordinance adopting the recommendation, and present proposed ordinance to FSAB and KMSAB for review prior to Council action.



City of Kerrville
Amy Farris Ives
Code Compliance Manager
800 Junction Highway
Kerrville, Texas 78028-5069
830.258.1171 (O)
830.896.0517 (F)
amy.ives@kerrvilletx.gov

MEMORANDUM

TO: Kevin Coleman

FROM: Amy Farris Ives *afi*

DATE: April 1, 2011

SUBJECT: Food Service Advisory Board Recommendations for Mobile Food Vendors

The Food Service Advisory Board reviewed the current operation requirements allowing Mobile Food Vendors to operate inside the City. As a result the following recommendations were made:

- Modification of current ordinance
- Definitions of a Commissary or Central Preparation Facility and mobile food vendors by type
- Separation requirements in lieu of setback requirements based on type of menu and operation (site based or route based)

Attached you will find:

- Current restrictions utilized to permit Mobile Food Vendors applying to operate inside the City
- Proposed definitions of Mobile Food Vendors and of a Commissary or Central Preparation Facility
- Proposed restrictions to permit Mobile Food Vendors and Commissaries or Central Preparation Facilities; restrictions requiring an amendment to Article II, Sec. 58-32 of the City's Code addressing Food Establishments are highlighted

Please see our current Code requirements below, which mobile food vendor would be required to meet to obtain a mobile food vendor permit.

- Proof of Texas sales and use tax permit
- Proof of liability insurance on the vehicle
- Itinerary Route to include time and days of operation
- Site Plan showing location of structures, parking, access drive, and any other information necessary to determine the appropriateness of the proposed use
- Restricted use of Parking lots – no unit shall occupy or eliminate any required parking or loading space. Also applies to parking lots used by multiple tenants/businesses; may only park on an improved surface and may not park on a vacant lot.
- Setbacks – no unit shall be located in the required setback of the proposed property. Setbacks are established in the City's Zoning Code; (30' front and back, 10' sides and 50' from residential units or multi-family lot)
- Written Permission from property owner to use location for the stated purpose
- Written Permission to use restrooms at worksite – permission from property owner to use restroom facilities with flushable toilets during all hours of operation within 150 feet of unit
- Notarized statement from the owner of a Central Preparation Facility/Commissary which is permitted by the City of Kerrville
- Documentation of Central Preparation Facility/Commissary Use
- Fire Safety Inspection (\$25.00/inspection) – (fire extinguisher requirements, location/set-up, 30' away from any structure; within 300' of the nearest fire hydrant)
- Hazardous Material Permit (\$40.00/year) will be required for all units using propane
- Commercial Bar-B-Q Pit Inspection (\$15.00) will be required when applicable
- Obtain Itinerate Merchant Permit (\$600.00/year)
- Mobile Food Vendor Health Permit (\$150.00/year) for each location as Section 58-32(c)(2)(a) of our Ordinance states "One permit shall be issued for one location"
- Signage – no temporary signage shall be allowed;
- Seating – no chairs or tables will be allowed outside the unit
- Performance Standards – Noise, glare, odor and other nuisances shall be controlled as set out in applicable sections of the City Code
- Water/Utilities – permanent utilities may NOT be attached to the mobile unit at any time
- Mobility – the health authority may prohibit alteration, removal, attachments, placement or change in, under or upon the mobile food establishment that would prevent or otherwise reduce ready mobility
- Permit Denial or Termination – the health authority may deny any permit where it deems there is a problem or concern regarding health or safety or where adverse effects on surrounding properties are likely to occur. Factors such as proximity to residences, use of required parking, unsafe pedestrian street crossings, awkward circulation patterns and/or similar concerns may be cause for permit denial

MOBILE FOOD VENDING DEFINITIONS

RESTRICTED MOBILE FOOD VENDOR means a Mobile Food Vendor offering only prepackaged food or ice cream. A Restricted Vendor will fall under one of two categories:

1. Route Based – vendor is traveling from location to location selling items
2. Site Based – vendor is stationary

UNRESTRICTED MOBILE FOOD VENDOR means a Mobile Food Vendor offering food that is packaged or prepared on the mobile unit including the slicing or peeling of fruits or vegetables. Based on operation requirements this type of vendor will be site based.

1. Site Based - vendor is stationary

COMMISSARY/CENTRAL PREPARATION FACILITY must be used as a base of operation for all types of mobile vendors with the exception of prepackaged ice cream vendors. State law prohibits the use of a private residence as a Commissary. This is an approved site at which food preparation, food storage, utensil and equipment cleaning, utensil and equipment storage, filling of water tanks, disposal of refuse and disposal of waste water occurs. If the unit generates grease or grease by-products, the Commissary must have an approved and permitted grease trap/interceptor. A Commissary shall comply with the Texas Administrative Code Title 25, Part 1, Chapter 229, Subchapter N (Current Good Manufacturing Practice and Good Warehousing Practice in Manufacturing, Packing, or Holding Human Food).

GENERAL REQUIREMENTS FOR ALL MOBILE FOOD VENDING UNITS:

- Comply with the Texas Administrative Code Title 25, Part 1, Chapter 229, Subchapter K (Texas Food Establishment Rules)
- Documentation of Central Preparation Facility Agreement and use; exceptions may be made by the Health Authority with commercially manufactured non potentially hazardous foods
- Proof of Texas sales and use tax permit
- Proof of liability insurance on the vehicle
- DPS Background Check
- Signage – no temporary signage shall be allowed
- Seating – no chairs or tables will be allowed outside the unit
- Mobility – the health authority may prohibit alteration, removal, attachments, placement or change in, under or upon the mobile food establishment that would prevent or otherwise reduce ready mobility
- Water/Utilities – permanent utilities may NOT be attached to the mobile unit at any time; No extension cords will be allowed
- Performance Standards – Noise, glare, odor and other nuisances shall be controlled as set out in applicable sections of the City Code
- Permit Denial or Termination – the health authority may deny any permit where it deems there is a problem or concern regarding health or safety or where adverse effects on surrounding properties are likely to occur. Factors such as proximity to residences, use of required parking, unsafe pedestrian street crossings, awkward circulation patterns and/or similar concerns may be cause for permit denial
- Restricted use of Parking lots - no unit shall occupy or eliminate any required parking or loading space. Also applies to parking lots used by multiple tenants/businesses; may only park on an improved surface and may not park on a vacant lot.

RESTRICTED MOBILE FOOD VENDOR -- ROUTE BASED REQUIREMENTS

- Hazardous Material Permit (\$40.00/year) will be required for all units using propane
- Obtain Itinerate Merchant Permit (\$600.00/year)
- Obtain Mobile Food Vendor Health Permit (\$150.00/year)
- Itinerary Route to include time and days of operation
- Written permission from property owner to use location for the stated purpose
- Separation requirements:
 - 50' from residential units or multi-family lot
 - 300' from a RFE unless permission granted by business owner
 - 30' from any other structure
 - 300' from schools while in session
 - 50' from any intersection

RESTRICTED MOBILE FOOD VENDOR -- SITE BASED REQUIREMENTS

- Site Plan showing location of structures, parking, access drive, and any other information necessary to determine the appropriateness of the proposed use
- Restricted use of Parking lots – no unit shall occupy or eliminate any required parking or loading space. Also applies to parking lots used by multiple tenants/businesses; may only park on an improved surface and may not park on an otherwise vacant lot.
- Separation requirements:
 - 50' from residential units or multi-family lot
 - 50' from but within 500' of any fire hydrant (not blocking access to a Fire Dept. connection)
 - 300' from a RFE unless permission obtained
 - 30' from any other structure
 - 300' from schools while in session
 - 50' from any intersection
- Written Permission from property owner to use location for the stated purpose
- Written Permission to use restrooms at worksite – permission from property owner to use restroom facilities with flushable toilets during all hours of operation within 150 feet of unit
- Fire Safety Inspection (\$25.00/inspection) – (fire extinguisher requirements, location/set
- Hazardous Material Permit (\$40.00/year) will be required for all units using propane
- Commercial Bar-B-Q Pit Inspection (\$15.00) will be required when applicable
- Obtain Itinerate Merchant Permit (\$600.00/year)
- Obtain Mobile Food Vendor Health Permit (\$150.00/year)

UNRESTRICTED MOBILE FOOD VENDOR – SITE BASED REQUIREMENTS

- Site Plan showing location of structures, parking, access drive, and any other information necessary to determine the appropriateness of the proposed use
- Restricted use of Parking lots – no unit shall occupy or eliminate any required parking or loading space. Also applies to parking lots used by multiple tenants/businesses; may only park on an improved surface and may not park on an otherwise vacant lot.
- Separation requirements:
 - 50' from residential units or multi-family lot
 - 50' from but within 500' of any fire hydrant (not blocking access to a Fire Dept. connection)
 - 300' from a RFE unless permission obtained
 - 30' from any other structure
 - 300' from schools while in session
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- Written Permission from property owner to use location for the stated purpose
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- Commercial Bar-B-Q Pit Inspection (\$15.00) will be required when applicable
- Obtain Itinerate Merchant Permit (\$600.00/year)
- Obtain Mobile Food Vendor Health Permit (\$150.00/year)



City of Kerrville
Business Programs
800 Junction Highway
Kerrville, Texas 78028-5069
830.792.8395 (O)
830.896.7747 (F)
johnna.wade@kerrvilletx.gov

TO: Amy Ives, Environmental Health Manager

CC: Todd Parton, City Manager
Mindy Wendele, Director of Business Programs and Public Affairs

FROM: Johnna Wade, Main Street Manager

DATE: April 1, 2011

SUBJECT: Mobile Food Vendors Downtown

The Kerrville Main Street Program recently had our monthly meeting and during the meeting, the topic of Mobile Food Vendors in downtown was discussed. Our consensus is as follows:

As a group, we saw pros and cons to this issue. We are not completely opposed to this issue but we do have some valid concerns.

- o We don't think Kerrville has enough walking traffic to support mobile food vendors.
- o We worry about the perception impact that mobile food vendors will have on our great downtown restaurants.
- o We are worried about the appearance issue that it could have on our downtown as a whole. We feel that mobile food vendors are perfect for special events such as the Holiday Lighted Parade and Hill Country Holiday Round – Up but we aren't sure how they would transpire being in downtown on a daily basis.
- o We do think that mobile food vendors could serve a purpose to those people who might be in a hurry walking downtown and might not have time to get something to go from some of the local restaurants.
- o If mobile food vendors were allowed to be in downtown, we think you would need quality control on their appearance and the marketing aspects of having them downtown.

Feel free to give me a call if you have any other questions. Thanks!

Kenerville, Texas, Code of Ordinances >> PART II - CODE OF ORDINANCES >> Chapter 58 - HEALTH AND SANITATION >> ARTICLE II. - FOOD ESTABLISHMENTS >>

CHAPTER 58 ARTICLE II. - FOOD ESTABLISHMENTS

- Sec. 58-31. - Purpose.
- Sec. 58-32. - Food establishment rules.
- Sec. 58-33. - Education of food service workers.
- Sec. 58-34. - Food service advisory board.
- Sec. 58-35. - Enforcement.
- Secs. 58-36—58-60. - Reserved.

Sec. 58-31. - Purpose.

The purpose of this article is to provide for the sale of only sound, properly labeled food through adoption and enforcement of state sanitation standards, to promote education of food service workers with the underlying purpose of preventing foodborne illness and protecting the public health, and to establish standards for the issuance of a grading score which represents the compliance by food establishments with this article and state law.

(Am. Rc. 1991, 2-11-1989 Code 1969, art. 9-4-1; Ord. No. 2008-22, § 1, 7-22-2008)

Sec. 58-32. - Food establishment rules.

- (a) *Adoption of rules.* The Texas Food Establishment Rules, 25 Tex. Admin. Code §§ 229.161—229.171, §§ 229.173—229.175, enacted by the state department of health, bureau of food and drug safety, retail foods division, both in their current form and as they may be hereafter amended, three copies of which shall be kept on file in the office of the city clerk, are adopted and incorporated as if set forth at length in this section, except for such portions as are deleted, modified, or amended by this article. If a conflict should arise between any of the rules adopted and incorporated by this subsection and any other provision of this article, the more restrictive provision shall apply.
- (b) *Definitions.* In addition to the definitions adopted in subsection (a) of this section, the following definitions shall apply to this article:

Certified food manager means any individual who meets the educational requirements outlined in section 58-33(c), as well as the permit requirements of this section.

Foodborne illness means an incident in which two or more persons experience a similar illness, usually gastrointestinal in nature, after ingestion of a common food, and epidemiological analysis implicates the food as the source of the illness.

Foodhandler means any employee working in a permitted food establishment who cooks, prepares, packages, or unpackages food, or who serves food to the consumer.

Grade card means a card indicating a letter grade that is posted at the conclusion of an inspection which is based on the results from the inspection report form.

Inspection report form means the written report prepared by the regulatory authority following an inspection which indicates a numeric score to determine compliance with this article as well as federal and state laws.

Potentially hazardous food means a food that is natural or synthetic and that requires temperature control because it is in a form capable of supporting the rapid and progressive growth of infectious or toxigenic microorganisms; the growth and toxin production of *Clostridium botulinum*; or in raw shell eggs, the growth of *Salmonella enteritidis*.

- (1) The term "potentially hazardous food" includes an animal food (a food of animal origin) that is raw or heat-treated; a food of plant origin that is heat-treated or consists of raw seed sprouts; cut melons; and garlic and oil mixtures that are not acidified or otherwise modified at a food processing plant in a way that results in mixtures that do not support growth as specified in this definition.
- (2)

The term "potentially hazardous food" does not include an air-cooled hard-boiled egg with shell intact; a food with a water activity (a_w) value of 0.85 or less; a food with a pH level of 4.6 or below when measured at 24 degrees Celsius (75 degrees Fahrenheit); and a food, in an unopened hermetically sealed container, that is commercially processed to achieve and maintain commercial sterility under conditions of nonrefrigerated storage and distribution. The term "potentially hazardous food" also does not include a food for which laboratory evidence demonstrates that the rapid and progressive growth of infectious or toxigenic microorganisms or the growth of *S. enteritidis* in eggs or *C. botulinum* cannot occur, such as a food that has an a_w and a pH that are above the levels specified in this subsection and that may contain a preservative, other barrier to the growth of microorganisms, or a combination of barriers that inhibit the growth of microorganisms. The term also does not include a food that may contain an infectious or toxigenic microorganism or chemical or physical contaminant at a level sufficient to cause illness, but that does not support the growth of microorganisms as specified in the definition of a potentially hazardous food.

Regulatory authority means the health department of the city or an authorized representative of the city health department.

Rules and food establishment rules mean the Texas Food Establishment Rules, 25 Tex. Admin. Code §§ 229.161—229.171, §§ 229.173—229.175, enacted by the state department of health, bureau of food and drug safety, retail foods division.

Supervisory personnel means persons with supervisory training or management responsibilities, as well as persons in charge of food preparation or service.

(c) *Food permits.*

- (1) *Generally.* No person shall operate a food establishment, including, but not limited to, a commissary, a mobile food unit and a temporary food service establishment or a retail food store who does not have a valid, current food permit, issued to him by the regulatory authority. Only a person who complies with the requirements of this article shall be entitled to receive or retain such a permit. Food permits are not transferable. A valid permit shall be posted in a conspicuous place in every food establishment and retail food store.

(2) *Issuance of food permit.*

- a. Any person desiring to operate a food establishment, including, but not limited to, a commissary, a mobile food unit, and a temporary food service establishment and/or retail food store shall make written application for a food permit on forms provided by the regulatory authority. Such application shall include the name and address of each applicant, the location and type of the proposed food establishment/retail food store, the square footage of the establishment/store, the signature of each applicant, and any other pertinent information required by the regulatory authority. One food permit shall be issued for one location, even if the establishment is a combination of a food establishment and a retail food store.
- b. Prior to approval of an application for a food permit, the regulatory authority shall inspect the proposed food establishment/retail food store to determine compliance with the requirements of this article.
- c. The regulatory authority shall issue a food permit to the applicant if its inspection reveals that the proposed food establishment/retail food store complies with the requirements of this article, and the permit holder has paid the required fee as established by resolution of the city council.
- d. A permit year shall begin on October 1 and end on September 30 of the following year at which time a permit shall expire. Temporary food service permits for outdoor and indoor events shall be valid only for the duration of the event.

(3) *Suspension of food permit.*

- a. The regulatory authority may, without warning, advance notice, or hearing, suspend any food permit to operate a food establishment where the permit holder does not comply with the requirements of this article, or if the operation of the food establishment otherwise constitutes a substantial hazard to public health. Suspension is effective upon service of notice required by subsection (c)(5) of this section. When a food permit is suspended, all food service operations shall immediately cease. Whenever a food permit is suspended, the permit holder shall be afforded an opportunity for a hearing within ten days of the receipt by the regulatory authority of a request for a hearing.
- b. Whenever a food permit is suspended, the holder of the permit or the person in charge, shall be notified in writing that the permit is, upon service of the notice, immediately suspended and that an opportunity for a hearing will be provided if a written request for a hearing is filed with the regulatory authority by the holder of the permit within ten

days. If no written request for hearing is filed within ten days, the suspension is sustained. The regulatory authority may end the suspension at any time if reasons for suspension no longer exist.

- c. For immediate closure due to imminent health hazards without suspension of food permit, see subsection (d)(4)a.1 of this section
- (4) *Revocation of food permit.* The regulatory authority may, after providing opportunity for a hearing, revoke a food permit for serious or repeated violations of any of the requirements of this article or for interference with the regulatory authority in the performance of its duties. Prior to revocation, the regulatory authority shall notify the holder of the food permit, or the person in charge, in writing of the reason for which the food permit is subject to revocation and that the permit shall be revoked at the end of the ten days following service of such notice unless a written request for a hearing is filed with the regulatory authority by the holder of the permit within such ten-day period. If no request for hearing is filed within the ten-day period, the revocation of the food permit becomes final.
- (5) *Service of notices.* A notice provided for in this article is properly served when it is delivered to the holder of the food permit, or the person in charge, or when it is sent by registered or certified mail, return receipt requested, to the last known address of the holder of the permit. A copy of the notice shall be filed in the records of the regulatory authority.
- (6) *Hearings.* The hearings provided for in this article shall be conducted by the regulatory authority at a time and place designated by it. Based upon the recorded evidence of such hearing, the regulatory authority and the city manager shall make a final finding, and shall sustain, modify or rescind any notice or order considered in the hearing. A written report of the hearing decision shall be furnished to the holder of the permit by the regulatory authority.
- (7) *Application after revocation.* Whenever a revocation of a food permit has become final, the holder of the revoked permit may make written application for a new permit.
- (d) *Inspections.*
 - (1) *Inspection frequency.* An inspection of a food establishment and/or retail food store shall be performed at least once every six months. Additional inspections of the food establishment and/or retail food store shall be performed as often as are necessary for the enforcement of this article.
 - (2) *Access.* Agents of the regulatory authority, after proper identification, shall be permitted to enter any food establishment and/or retail food store at any reasonable time, for the purpose of making inspections in accordance with this article and to determine compliance with this article. The agents shall be permitted to examine the records of the establishments/stores to obtain information pertaining to food and supplies purchased, received, or used, or to persons employed.
 - (3) *Report of inspections.* Whenever an inspection of a food establishment and/or retail food store is made, the findings shall be recorded on the inspection report form referred to in subsection (d)(5) of this section. The inspection report form shall summarize the requirements of the food establishment rules and shall set forth a weighted point value for each requirement. The inspectors' remarks shall be written to reference by section number the section violated and shall state the correction to be made. The rating score of the food establishment/retail food store shall be the total of the weighted point values for all violations subtracted from 100. A copy of the inspection report shall be furnished to the person in charge of the establishment/retail food store at the conclusion of the inspection. The completed inspection report is a public document and will be made available for public disclosure to any person who requests it according to law.
 - (4) *Correction of violations.*
 - a. The inspection report form shall specify a reasonable period of time for the correction of the violations found, and correction of the violations shall be accomplished within the period specified, in accordance with the following provisions:
 - 1. If an imminent health hazard exists as determined by the regulatory authority or as defined by the rules, such as complete lack of refrigeration or sewage backup into the establishment, the establishment/retail food store shall immediately cease food service operations. Operations shall not be resumed until authorized by the regulatory authority.
 - 2. All critical items of four-point or five-point weighted items shall be corrected immediately. Considering the nature of the potential hazard involved and the complexity of the corrective action needed, the regulatory authority may specify a longer time frame not to exceed ten days after the inspection for correction of the critical violations. The regulatory authority shall conduct a follow-up inspection to confirm correction.
 - 3. All one-point or two-point weighted items shall be corrected as soon as possible, but in any event, by the time of the next routine inspection.
 - 4.

When the rating score of the establishment is less than 60, the food establishment/retail food store shall initiate corrective action on all identified violations within 48 hours. One or more reinspections will be conducted at reasonable time intervals to assure correction.

5. In the case of temporary food service establishments, all violations shall be corrected within 24 hours. If violations are not corrected within 24 hours, the establishment shall immediately cease food service operations until authorized to resume by the regulatory authority.
 - b. The inspection report shall state that failure to comply with any time limits for corrections may result in cessation of food operations. An opportunity for appeal from the inspection findings and time limitations will be provided if a written request for a hearing is filed with the regulatory authority within ten days following cessation of operations. If a request for a hearing is received, a hearing shall be held within 20 days of receipt of that request.
 - c. Whenever a food establishment and/or retail food store is required under the provisions of this article to cease operations, it shall not resume operations until such time as a reinspection determines that conditions responsible for the requirement to cease operations no longer exist. Opportunity for reinspection shall be offered within 24 to 48 hours.
- (5) *Inspection report forms.* The inspection report forms based on the requirements of the rules are appended. 
- (6) *Grading of food establishments.*
- a. *Purpose.* The regulatory authority shall inspect and issue a grade to all food establishments in a uniform and consistent manner using an inspection report form. The regulatory authority, based upon a 100-point system, shall determine the grade for each food establishment using the following method:
 - "A" Card - a score of 90 or above, which indicates safe food handling practices and designates a food establishment as meeting the provisions of this article.
 - "B" Card - a score between 80 and 89, which indicates that the food establishment has met minimum health requirements but also was found to have several violations of this article.
 - "C" Card - a score between 70 and 79, which indicates that a food establishment was found to have several violations of this article which were not immediately correctable. Food establishments that score below 70 points shall immediately close to the public and cease all food operations in accordance with subsection ~~58-32~~(d)4.
 - b. *Posting requirements.*
 1. Each food establishment shall post its grade card at or near each public entrance or in a conspicuous place selected by the regulatory authority.
 2. The grade card shall remain the property of the regulatory authority. No person shall move, remove, deface, camouflage, alter, or conceal the grade card from public view.
 3. It shall be unlawful to remove a grade card or to operate a food establishment unless the grade card is posted in the manner requested herein.
 - c. *Period of validity for grade card.* The grade card shall remain valid until the regulatory authority completes the follow-up inspection of the food establishment.
 - d. *Appeal process.* Following an inspection by the regulatory authority and the issuance of a grade card, the permit holder for the food establishment may appeal the score as follows:
 1. The permit holder must submit a written request for an appeal within five business days following the date of the inspection.
 2. The regulatory authority shall schedule an appeal which shall be heard by the food service advisory board within ten business days following the written appeal request. The board shall then issue a final determination on the score within one business day of the appeal.
 3. The previously issued grade card shall remain posted until final resolution is obtained through the appeal process. Where a revised grade card is issued, the new grade card shall be posted within one business day.
- (e) *Examination and condemnation of food.*
- (1) *Generally.* Food may be examined or sampled by the regulatory authority as often as necessary to enforce this article. Upon written notice to the owner or person in charge specifying with particularity the reasons therefor, the regulatory authority may place a hold order on any food which it believes violates 25 Tex. Admin. Code § 229.164(a). The regulatory authority shall tag, label, or otherwise identify any food subject to the hold order. No food subject to a hold order shall be used, served, or moved from the food establishment/retail

food store. The regulatory authority shall permit storage of the food under conditions specified in the hold order, unless storage is not possible without risk to the public health, in which case the food shall be immediately destroyed.

- (2) *Hearing.* The hold order shall state that a request for hearing may be filed within ten days and that if no hearing is requested the food shall be destroyed. A hearing shall be held if so requested, and on the basis of evidence produced at that hearing, the hold order may be vacated, or the owner or person in charge of the food may be directed by written order to denature or destroy such food or to bring it into compliance with the provisions of this article.
- (f) *Review of plans.*
- (1) *Submission of plans.* Whenever a food establishment and/or retail food store is constructed or extensively remodeled, and whenever an existing structure is converted to use as a food establishment and/or retail food store, properly prepared plans and specifications for such construction, remodeling, or conversion shall be submitted to the regulatory authority for review and approval before construction, remodeling or conversion is begun. The plans and specifications shall indicate the proposed layout, arrangement, mechanical plans, and construction materials of work areas, and the type and model of proposed fixed equipment and facilities. The regulatory authority shall approve the plans and specifications if they meet the requirements of this article. No food establishment and/or retail food store shall be constructed, extensively remodeled, or converted except in accordance with plans and specifications approved by the regulatory authority.
- (2) *Preoperational inspection.* Whenever plans and specifications are required by subsection (f) of this section to be submitted to the regulatory authority, the regulatory authority shall inspect the food establishment prior to its beginning operation to determine compliance with the approved plans and specifications and with the requirements of this article.
- (g) *Procedure when infection is suspected.* When the regulatory authority has reasonable cause to suspect the possibility of disease transmission from any food establishment/retail food store employee, it may secure morbidity history of the suspected employee or make any other investigation as may be indicated and shall take appropriate action. The regulatory authority may require any or all of the following measures:
- (1) The immediate exclusion of the employee from all food establishments/retail food stores;
 - (2) The immediate closing of the food establishment and/or retail food store concerned until, in the opinion of the regulatory authority, no further danger of disease outbreak exists;
 - (3) Restriction of the employee's services to some area of the food establishment and/or retail food store where there would be no danger of transmitting disease;
 - (4) Adequate medical and laboratory examination of the employee, of other employees and of his and their body discharges.
- (h) *Grease traps.* The installation and maintenance of grease traps shall be in accordance with the following regulations:
- (1) *When required.* A food establishment which generates grease or oil waste products which may not be introduced into the POTW as set forth in [section 110-132](#) must install a grease trap in accordance with city-approved design specifications when:
- a. The food establishment is initially constructed;
 - b. There is a change in ownership or in occupancy of the food establishment;
 - c. There is a substantial reconstruction of the premises;
 - d. A violation of [section 110-132](#) has occurred; or
 - e. The food establishment has been determined by the city health official to have no grease trap or to have a grease trap which is insufficiently sized such that it is reasonable to expect that the business will discharge wastes into the sanitary sewer system in violation of [chapter 110](#), article IV, if a sufficiently sized grease trap is not installed.
- (2) *Deferral.* The holder of a food permit may submit a written request to the city's director of public works for a deferral from the requirements of subsection (h)(1) of this section. No deferral may be granted until:
- a. The city health official has determined that the operation of the food establishment will not result in the discharge of wastes into the city's sanitary sewer system in violation of [chapter 110](#), article IV; and
 - b. The permit holder has installed a sampling point accessible to the city which allows for the sampling of discharges from the food establishment's sanitary sewer system.
- Once granted, the deferral shall remain in effect until such time as test samples from the sampling point indicate discharges from the food establishment in violation of [chapter 110](#), article IV, or until federal, state, or local law, ordinance or regulation terminates such deferrals.
- (3) *Permittee liable.* The holder of a food permit issued pursuant to subsection (c) of this section shall be responsible for the proper operation, cleaning, and maintenance of the grease traps

Educational requirements in lieu of manager training. Prior to obtaining a food permit from the city health department for the sale of potentially hazardous food:

- a. State-licensed child care centers and/or private schools which prepare meals for children shall have cooks attend training and testing to be administered by the city health department.
- b. Temporary food service establishments (indoor events) shall either:
 1. Have one individual who is responsible for food preparation at the event attend training and testing to be administered by the city health department; or
 2. Retain a certified manager to advise on the minimal standards of operation needed for the event and who shall be responsible for hygienic operations at the event.
- c. Temporary food service establishments (outdoor events) shall either:
 1. Have one individual who is responsible for food preparation at the event attend training and testing to be administered by the city health department;
 2. Retain a certified manager to advise on the minimal standards of operation needed for the event and who shall be responsible for hygienic operations at the event; or
 3. Shall undergo periodic inspection by the city health department during the event.

All training under this subsection (b)(2) shall be valid for one year from date of the training.

- (c) *Proof of knowledge.* Applicants seeking manager certification must provide the regulatory authority with documentation that verifies their knowledge of safe food handling procedures and foodborne illness prevention. Satisfactory documentation may consist of one of the following:
 - (1) A certificate from a training program consisting of at least 15 classroom hours and which has been accredited by the state department of health under provisions of state law.
 - (2) A certificate of approval from an independent testing agency which administers a national examination determined by the state department of health and/or the U.S. Food and Drug Administration to be content valid and legally reliable.
 - (3) An Associate's degree or higher, in hotel and restaurant management or an equivalent degree in food management from an accredited college or university.
- (d) *Foodhandler training.* Every certified food manager shall have the responsibility to train foodhandlers under his supervision. The training shall include instruction on the hazard analysis critical control point principles and other requirements of the food establishment rules, including but not limited to the following:
 - (1) Temperature requirements of potentially hazardous foods during storage, preparation, display, and transportation.
 - (2) Common sources of contamination and preventing cross contamination.
 - (3) Personal hygiene and application of good hygienic practices.
 - (4) Proper methods of sanitizing equipment and utensils.
 - (5) Proper labeling, storage, and use of toxic chemicals.
- (e) *Additional training.*
 - (1) The regulatory authority may require managers and foodhandlers to successfully complete additional training when:
 - a. The employing food establishment and/or retail food store has repeated or persistent violations of critical health code requirements and effective corrective action has not been instituted over a reasonable period of time, as defined in the rules;
 - b. The employing food establishment and/or retail food store has been implicated by the regulatory authority as the source of foodborne illness; or
 - c. There is evidence, at the time of routine health inspection, that foodhandlers are not being trained by managers. A score of 75 or less on the inspection report shall be considered evidence of lack of training.
 - (2) All costs associated with additional training shall be the responsibility of the owner or operator of the food establishment and/or retail food store.
- (f) *Issuance of certificates or permits.*
 - (1) When an applicant meets the requirements of subsection (c) of this section, the applicant must also show proof to the regulatory authority that he holds a current and valid manager's certificate issued by the state. Proof can be shown by fulfilling the requirements of subsection (h) of this section.
 - (2) Certificates shall expire at the end of three years after issuance.
- (g) *Renewal.* The manager's certificate shall be renewed for a subsequent three-year period if the applicant:
 - (1) Submits an application for renewal to a training program which has been accredited by the state department of health under the provisions of state law;

The food service advisory board shall consider and make recommendations to the city council, from time to time, on any and all matters pertaining to the city's food service program.

- (f) *Procedure.* The food service advisory board shall establish rules and regulations for its own procedure not inconsistent with the provisions of this article. The food service advisory board shall elect its members, which shall consist of one person and vice-chair person.
- (g) *Absences.* Any member who misses three consecutive regular meetings of the food service advisory board shall cause his seat on the board to become vacant. The council shall then appoint a new member to fill the vacancy.

Cross reference— Administration, ch. 2 ; boards and commissions, § 2-91 et seq.

Sec. 58-35. - Enforcement.

- (a) *Penalty for violation.* Any person who violates a provision of this article or any person who is the holder of a food manager's certificate who does not comply with the requirements of this article, shall, upon conviction, be subject to a fine in accordance with [section 1-8](#) for each offense, and each day a violation continues may constitute a separate offense.
- (b) *Injunctive relief.* In addition to and cumulative of all other penalties, the city shall have the right to seek injunctive relief for any or all violations of this article.

Secs. 58-36-- 58-60. - Reserved.

FOOTNOTE(S):

[\(Back\)](#)

Agenda Item:
(Staff)

- 5C. Review and prioritization of the Alamo Regional Rural Planning Organization list of roadway projects in Kerr County.

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

SUBJECT: Update on Alamo Regional Rural Planning Organization (ARRPO) transportation list

FOR AGENDA OF: 4/12/11

DATE SUBMITTED: 4/7/11

SUBMITTED BY: Charlie Hastings *CA* **CLEARANCES:** Todd Parton
Director of Public Works City Manager

EXHIBITS: ARRPO Kerr County Roadway Priorities

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: *TP*

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

PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DIRECTOR:

SUMMARY STATEMENT

Last year council authorized staff to submit a list and map of thoroughfare needs to the Alamo Regional Rural Planning Organization (ARRPO) to be considered for coordinated and proactive transportation planning. The ARRPO is a voluntary membership organization serving the 11-county (Atascosa, Bandera, Comal, Frio, Gillespie, Guadalupe, Karnes, Kendall, Kerr, Medina, and Wilson) rural area of the Alamo Area Council of Governments. Its purpose is to foster a coordinated, continuing, cooperative, comprehensive, and proactive transportation planning, decision-making, and prioritization process for improvement of rural transportation within the 11-county area.

Kerrville's list has been published into the Texas Department of Transportation's (TxDOT) ARRPO Kerr County Roadway Priorities list (attached). Kerrville has been tasked with prioritizing the list. Staff has prioritized the list based on a scoring system where 0 is the lowest and 6 is the highest per the following.

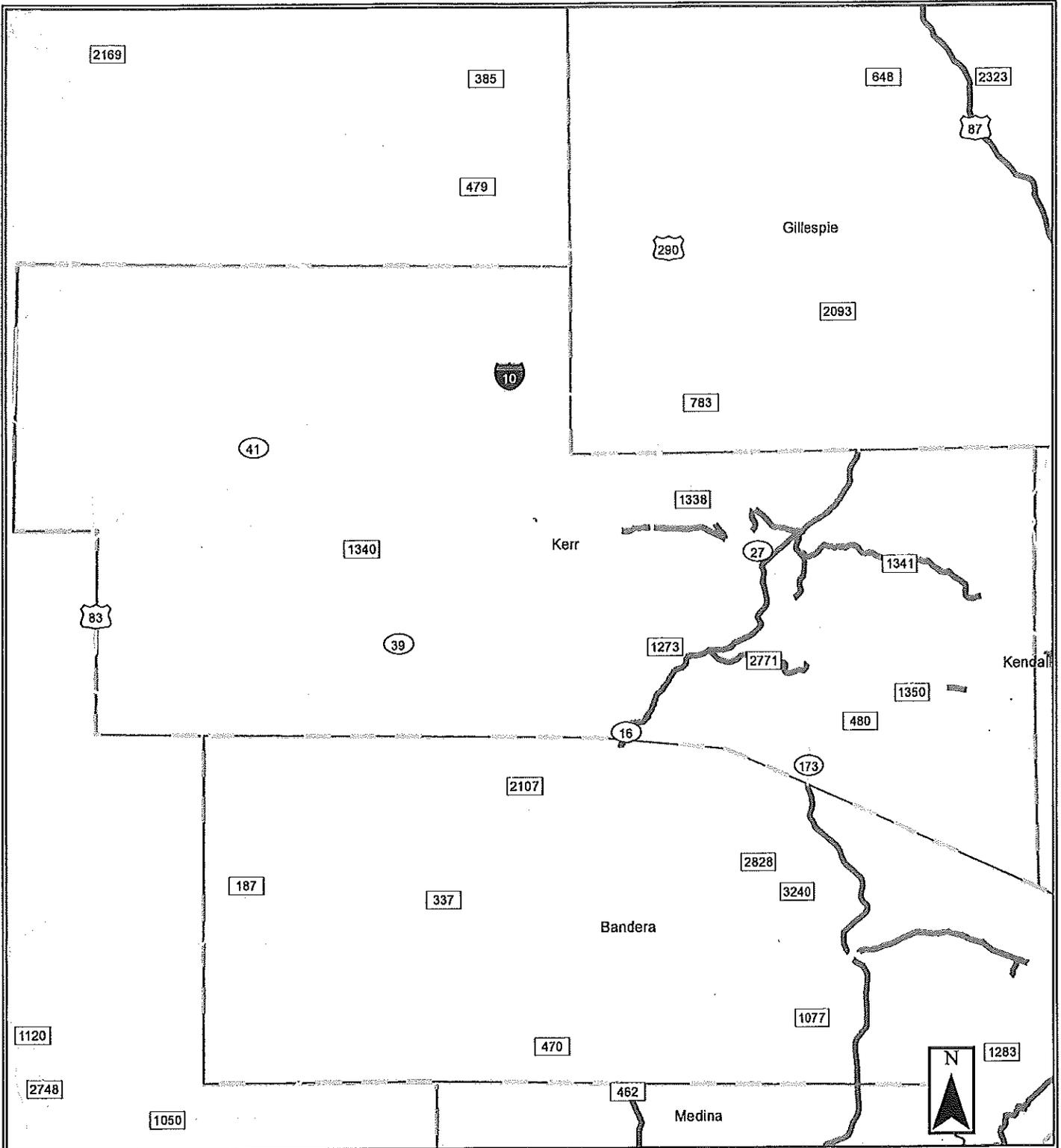
Need – 3 correct immediate danger/hazard; 2 correct moderate danger/hazard, or identified in the thoroughfare plan, or promotes economic growth; 1 correct future danger/hazard, or serves existing development.

Location – 3 in the city, 2 in the city's ETJ (1-mile), 1 in the city's future ETJ (2-miles).

ARRPO has requested that Kerrville coordinate their priorities through Kerr County for submission back to ARRPO.

RECOMMENDED ACTION

Staff recommends that council approve the attached list of ARRPO Kerr County Roadway Priorities and authorize the City Manager to coordinate Kerrville's priorities with the Kerr County Judge for final submittal to TxDOT.



Alamo Regional Rural Planning Organization

Kerr County Roadway Priorities

March 30, 2011



KERR COUNTY

4/7/2011 KERRVILLE PRIORITIZATION
0 = LOWEST, 6 = HIGHEST

Priority	ARRPO Roadway Summary Kerr County	From	To	Length	Project Description	Cost	Concern/Description	In current 4-year Plan? (FY 2011 - FY 2014)
5	ROADWAY PRESERVATION FM1341	SL 534	IH 10	10.990	Rehab and Widen Narrow Roadway	\$5,500,000	Pavement Condition	Yes
4	SH0027	FM 1338	SH 39	3.698	Overlay	\$900,000	Pavement Condition	Yes
4	SH0016	Gillespie CL	SH 27	8.162	Surface Treatment	\$400,000	Pavement Condition	Yes
4	SH0016	SH 27	Bandera CL	14.567	Surface Treatment	\$700,000	Pavement Condition	Yes
	OPERATIONS							
3	SH0027	At Airport loop			Intersection Improvements	\$500,000	Local Operational Issues	No
3	FM1338	SH 27			Intersection Improvements	\$500,000	Local Operational Issues	No
3	SH0016	Gillespie CL	SH 27	8.162	Widen to Provide Passing Lanes	\$3,700,000	Lack of Passing Opportunities	No
4	SL0534	SH 27	SH 16	3.877	Intersection/Operational Improvements	\$1,500,000	Local Operational Issues	No
3	FM2771	SH 16	SH 173	6.281	Widen to Provide Passing Lanes/Operational Improvements	\$2,800,000	Local Operational Issues	No
5	IH0010	FM 783	SH 16	2.895	Reconstruct Ramp, New Frontage Roads, and Intersection	\$30,000,000	Construction of Frontage Road	No
0	SH0039	Ingram Dam	SH 27	1.438	Upgrade to 2 Lanes with a Center Left Turn Lane	\$5,200,000	Operational Issues	Yes
	MOBILITY							
4	RM0783	IH 10	Holdsworth	1.224	Expand from 2 Lanes to 4 Lanes	\$9,800,000	Additional Capacity	No
4	Wren Road North Extension	Extension North to IH 10		0.930	New Location Urban Roadway	\$7,400,000		No
5	Wren Road South Extension	RM 1388	SH 27	0.890	New Location Urban Roadway	\$7,100,000		No
4	SP0098	Extension to Bear Creek		0.800	New Location Urban Roadway	\$6,400,000	New Location	No
5	SP0100	SH 16	SH 173	2.120	New Location Urban Roadway	\$17,000,000	New Location	No
4	SP0100	IH 10		3.930	New Location Urban Roadway	\$31,400,000	New Location	No
5	FM0534	SH 173	SH 27	0.720	Expand from 2 Lanes to 4 Lanes	\$5,800,000	New Location	No
2	FM0394	Spur 98	Shepard Roers	0.600	New Location Urban Roadway	\$4,800,000	New Location	No
0	SH0039	Ingram Dam	SH 27	1.438	Expand from 2 Lanes to 4 Lanes	\$11,500,000	Additional Capacity	No
0	Parallel Route to SH 39	Ingram	Hunt	7.000	New Location Rural Roadway	\$42,000,000	New Location	No
					Total Identified Preservation Needs=	\$7,500,000		
					Total Identified Operational Needs=	\$44,200,000		
					Total Identified Mobility Needs=	\$143,200,000		
					Total Identified Needs=	\$194,900,000		
					Total Funded Needs=	\$12,700,000		
					Total Unfunded Needs=	\$182,200,000		
					Total Unfunded Operational & Preservation Needs=	\$39,000,000		

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Agenda Item:
(Staff)

- 5D. Interlocal agreements between Kerr County and the City of Kerrville for joint operations.

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

SUBJECT: Consideration of interlocal agreements between the City of Kerrville and Kerr County for joint operations.

FOR AGENDA OF: April 12, 2011 **DATE SUBMITTED:** April 7, 2011

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

EXHIBITS: A. Interlocal Summaries
B. County Draft Agreement for Fire Services – April 5, 2011

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

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

PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DIRECTOR:

SUMMARY STATEMENT

Staff is finalizing draft interlocal agreement(s) for submittal to the Kerr County Commissioners' Court as directed by the City Council at its meeting of March 26, 2011.

Since the City Council meeting, the Commissioners' Court has presented an agreement for fire services. This agreement was submitted by Commissioner Letz on April 5, 2011, and has been under review by City staff since that time. Several significant elements of the County's proposal must be clarified and defined and appropriate questions have been forwarded to Commissioner Letz. Once these points have been addressed City staff will be able to fully evaluate the proposal and provide a cost analysis.

The attached draft interlocal agreements are based upon prior discussions of City Council and are consistent with the outline of services presented to the Commissioners' Court in February 2011. Staff is also submitting an option that reduces city and county contributions for library and airport operations. Library allocations could be reduced from \$825,000 to \$750,000 (a reduction of \$37,500 each) and airport allocations could be reduced from \$400,000 to \$330,000 (a reduction of \$35,000 each). This would reduce costs to the City and the County by

\$72,500 each and maintain the scopes of services included in the original outline.

Exhibit A attached contains two summaries of the original interlocal agreements. The first summary is based on the original concept and Option A shows the airport and library reductions described above.

Exhibit B attached contains the draft interlocal agreement submitted by the Commissioner Letz for fire services beyond the Kerrville city limits.

Staff is completing drafts of the City's proposal(s) for interlocal agreements for fire, EMS, library, and airport operations. Drafts of these agreements are scheduled to be completed by Monday, April 11, 2011.

RECOMMENDED ACTION

Consider interlocal services agreements with the County in addition to the optional change and provide direction to City staff as necessary.

Exhibit A
Interlocal Agreement Summaries

	FY11 Approved Budget		City of Kerrville 2/14/11		Total
	City of Kerrville	Kerr County	City of Kerrville	Kerr County	
Public Safety	\$5,858,044	\$432,885	\$5,390,930	\$900,000	\$6,290,930
Fire	\$3,575,048	\$190,550	\$3,315,598	\$500,000	\$3,815,598
EMS	\$2,282,997	\$242,335	\$2,075,332	\$400,000	\$2,475,332
Library	\$484,674	\$200,000	\$412,500	\$412,500	\$825,000
Airport	\$0	\$393,244	\$200,000	\$200,000	\$400,000
Animal Control	\$0	\$368,190	\$0	\$368,190	\$368,190
Total	\$6,342,719	\$1,394,319	\$6,003,430	\$1,880,690	\$7,884,120
				\$486,371	

OPTION A

City of Kerrville 2/14/11

	City of Kerrville	Kerr County	Total
Public Safety	\$5,390,930	\$900,000	\$6,290,930
Fire	\$3,315,598	\$500,000	\$3,815,598
EMS	\$2,075,332	\$400,000	\$2,475,332
Library	\$375,000	\$375,000	\$750,000
Airport	\$165,000	\$165,000	\$330,000
Animal Control	\$0	\$368,190	\$368,190
Total	\$5,930,930	\$1,808,190	\$7,739,120
		\$413,871	

Exhibit B
Kerr County Draft Fire Services Agreement – April 5, 2011



**THE COUNTY COURT
OF**

KERR COUNTY, TEXAS

700 Main, Kerrville, Texas 78028

Tel: (830) 792-2211

Fax: (830) 792-2218

E-mail: commissioners@co.kerr.tx.us

COUNTY JUDGE
PAT TINLEY

CLERK
JANNETT PIEPER

COMMISSIONERS COURT
H. A. "BUSTER" BALDWIN, PCT. 1
GUY OVERBY, PCT. 2
JONATHAN LETZ, PCT. 3
BRUCE OEHLER, PCT. 4

COURT COORDINATOR
JODY GRINSTEAD

April 5, 2011

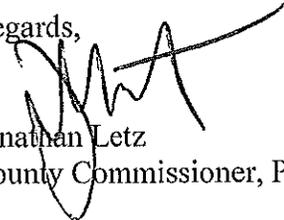
Mr. Todd Parton
City Manager
City of Kerrville
800 Junction Hwy
Kerrville, TX 78028

Dear Todd,

Attached please find a draft of a proposed Interlocal Agreement for Fire Fighting Services between the City of Kerrville and Kerr County. Per our meeting you requested the County specify what fire fighting services we would like to have included under a new Interlocal Agreement. The attached agreement sets out such services. We left the cost of these blank so the City can advise what the cost of these services would be.

The purpose of this draft is to further our discussion and hopefully move toward a new Interlocal Agreement. The Commissioners' Court approved this agreement yesterday and requested I forward this agreement to you for consideration.

Regards,


Jonathan Letz
County Commissioner, Pct. 3

Enclosure

**INTERLOCAL AGREEMENT
FOR FIRE FIGHTING SERVICES**

**STATE OF TEXAS §
 §
COUNTY OF KERR §**

This Interlocal Agreement for Fire Fighting Services (“Agreement”) is made and entered into between the City of Kerrville, Texas (“City”) and Kerr County, Texas (“County”) and shall be effective as of October 1, 2011, for the term stated below.

WHEREAS, County desires to provide Fire Fighting Services to the service areas defined below in order to serve and protect its citizens; and

WHEREAS, City is willing to furnish equipment, trained fire fighters and services to the service areas for the consideration as provided herein;

WHEREAS, the Parties enter into this Agreement as authorized through the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein expressed, it is agreed as follows:

**I.
TERM**

The term of this Agreement shall be from October 1, 2011 through September 30, 2021 (“Initial Term”). This Agreement shall remain in full force and effect through its Initial Term. This Agreement may be terminated by mutual agreement at any time upon such terms and conditions as the parties agree.

Upon ninety (90) days written notice to the other party within the period of this Initial Term, either City or County may provide notice of its intent to terminate this Agreement for cause, provided that in the event of the breach, the non-breaching party shall give written notice to the breaching party specifically stating the provision of this Agreement alleged to have been breached and the factual basis underlying the alleged breach. Within thirty (30) days after receipt of notice, the breaching party shall: i) cure said breach; or ii) contest the alleged breach. Failure to cure the breach or contest the alleged breach within this thirty (30) day period shall initiate the alternate dispute resolution procedures of Section IV.D below. Upon exhaustion of alternate dispute resolution procedures, the non-breaching party shall be permitted to unilaterally terminate this Agreement, upon delivery of written notice of termination via certified mail or personal delivery, to the breaching party. Termination shall be effective upon receipt of said notice.

The parties agree that this Agreement shall renew automatically for one-year periods following the Initial Term unless terminated in writing by either Party effective the expiration of the Initial Term. All terms and covenants of this Agreement shall apply to the renewal period.

II. SERVICES

- A. During the Initial Term, or any extension provided for herein, City agrees to furnish Fire Fighting Services ("Fire") to the Service Areas.
- B. Service Areas: For purposes of this Agreement, the Parties define the service areas as follows:
1. Primary Service Area: The Parties define the Primary Service Area as the area within 1, 2, or 3 miles of the current extraterritorial jurisdiction (ETJ) of the City of Kerrville.
 2. Secondary Service Area: The parties define the Secondary Service Area as all of Kerr County excluding the Primary Service Area and the municipal limits for the City of Kerrville.
 3. The Parties agree that the area within the municipal limits for the City of Kerrville is excluded from either the Primary or Secondary Service Areas. The Parties agree that the area within the municipal limits and ETJ of the City of Ingram is excluded from the Primary Service Area.
- C. Services to be Provided: The Parties agree that the Fire services provided by the City shall be as follows:
1. Primary Service Area: The Parties agree that the City shall be the primary, "first responder" to all confirmed structure fires, grass/brush fires, and any other fire emergency occurring within the Primary Service Area.
 2. Secondary Service Area: The Parties agree that the City shall be the secondary, reserve responder to all confirmed structure fires, grass/brush fires, and any other fire emergency occurring within the Secondary Service Area. The City shall not provide Fire services within the Secondary Service Area unless first requested by the volunteer fire department within its jurisdiction, the Kerr County Sheriff, the Texas Department of Public Safety, the Ingram Marshall's Office for fire emergencies within the municipal limits for the City of Ingram, or the Texas Rangers.
- D. The amount and type of equipment and number of personnel actually furnished in response to any Fire emergency call shall be determined solely by City and its duly appointed agents, officers, directors, employees or subcontractors. It is understood and agreed that City will give priority to calls within its own jurisdictional boundaries; however, City will use their best effort to make a timely response to each request for services within the Service Area.
- E. In the performance of this Agreement, City shall observe and comply with all federal, state and local laws, rules, ordinances and regulations in any manner affecting the

provision of services under this Agreement. City shall provide vehicle maintenance and regular equipment, vehicle inspections, calibrations, and checks as determined by City to be appropriate

- F. It is expressly understood that in the performance of the obligations taken under this Agreement, City is an independent contractor with the sole right to supervise, manage, control and direct the provision of Fire services. Further, County shall look to the City for performance only and shall have no right at any time to direct or supervise the City, its agents, officers, directors, employees or subcontractors. Nothing in this Agreement shall constitute or be construed to create a partnership or a joint venture by and among the parties.
- G. City shall make reasonable efforts to maintain Fire emergency response times for the Primary Service Area equivalent to the response times for Fire emergencies within the municipal limits for the City of Kerrville. City shall continuously monitor its compliance with this provision. However, such response times may be waived in times of natural disasters or other catastrophic events which limits or renders performance standards substantially impossible.
- H. City shall maintain insurance for Fire services provided under this Agreement at the following levels:
 - 1. General Liability
\$1,000,000 each occurrence and \$2,000,000 annual aggregate
 - 2. Errors and Omissions
\$1,000,000 each occurrence and \$2,000,000 annual aggregate
 - 3. Automobile Liability
\$1,000,000 per occurrence; \$25,000 medical per person
 - 4. Property/Auto for physical, catastrophe, and mobile equipment
Agreed value
 - 5. Combination crime
\$50,000
 - 6. Personal property
\$1,000,000 per loss occurrence
- I. City shall provide quarterly run reports to County regarding the number of Fire service responses made within each of the Primary and Secondary Service Areas. County may request additional reports as needed as long as the information sought does not violate federal or state law and County pays the cost of producing such additional reports.
- J. In furtherance of meeting its obligations under this Agreement, City may enter into such contracts and interlocal agreements with local governmental entities and/or private companies as they deem necessary or appropriate to provide the services and coverage required.

III.

PAYMENT BY COUNTY; PROVIDER CHARGES

- A. In exchange and consideration for the City's provision of services under this Agreement during the first year of this Agreement, County agrees to pay City \$_____ .00. Such costs include but are not limited to costs relating to personnel, supplies, licenses, insurance, fuel, maintenance, fee collection, facilities, capital equipment replacement, as well as other related expenses.
- B. For each year following the first year of this Agreement, the Parties agree that, in exchange and consideration for the City's provision of services under this Agreement, the County agrees to increase its payment by the consumer price index (CPI) percentage for that year above the prior year's sum.
- C. Should this Agreement continue beyond the Initial Term, the Parties agree that the County's payment for the City's provision of services under this Agreement shall continue at the same rate as the sum of the last year's payment under the Initial Term.
- D. Payment for the Initial Term shall be in equal monthly payments due and payable beginning on or before October 1, 2011 and continuing on the first day of each month.

IV.
MISCELLANEOUS

- A. For purposes of this Agreement, all notices required hereunder shall be delivered to the following addresses of the respective parties via hand delivery or first class, prepaid mail:

For the City of Kerrville:

City of Kerrville
c/o City Manager
800 Junction Highway
Kerrville, TX 78028

with copy to: City of Kerrville
c/o Fire Chief
87 Coronado
Kerrville, TX 78028

For the County:

Kerr County
c/o County Judge
Kerr County Courthouse
700 Main Street
Kerrville, TX 78028

- B. This Agreement supersedes all written or oral representations of the parties as to the content, obligations or performance of the provision of emergency medical services by City to County. Any modification to this Agreement shall be of no force or effect unless in writing and signed by both parties. Each party hereto certifies that the covenants and obligations stated in this Agreement constitute the duly authorized act and agreement of

the respective entity and that the persons affixing their signatures below have obtained all requisite approvals for the execution of this agreement

- C. Pursuant to Tex. Gov't Code §791.006, the Parties agree to be jointly and severally responsible for civil liability that arises from the furnishing or obtaining services under this Agreement.
- D. Pursuant to Tex. Gov't Code §791.015, the Parties agree to submit issues arising from any termination for cause under this Agreement or disputes arising from this Agreement to the alternative dispute resolution procedures authorized by Chapter 2009 of the Texas Government Code. Pending the exhaustion of these alternate dispute resolution procedures, this Agreement shall remain in full force and effect.
- E. The validity of the Agreement and any of its terms or provisions as well as the rights and duties of the parties, shall be governed by the laws of the State of Texas. Exclusive venue for any action concerning this Agreement shall be in Kerr County, Texas.
- F. Neither party may assign any right under this Agreement, and any purported assignment will be null and void and a breach of the Agreement.
- G. Notwithstanding any provision to the contrary, it is agreed that none of the obligations contained within this Agreement shall run to or be enforceable by any party other than a party to this Agreement.

DATED this _____ day of _____, 20____.

CITY OF KERRVILLE, TEXAS

KERR COUNTY, TEXAS

By: _____
David Wampler, Mayor

By: _____
Pat Tinley, County Judge

ATTEST:

ATTEST:

Brenda G. Craig, City Clerk

Jannett Pieper, Kerr County Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Michael C. Hayes, City Attorney

Robert Henneke, Kerr County Attorney

Agenda Item:
(Staff)

- 5E. Presentation and acceptance of the FY10 Comprehensive Annual Financial Report (CAFR).

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

SUBJECT: Presentation and Council Acceptance of the FY 2010 City of Kerrville Comprehensive Annual Financial Report

FOR AGENDA OF: April 12, 2011 **DATE SUBMITTED:** April 1, 2011

SUBMITTED BY: Mike Erwin, 
Director of Finance **CLEARANCES:** Todd Parton,
City Manager

EXHIBITS: Separate Attachment - Audit

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

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

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

SUMMARY STATEMENT

The FY 2010 City of Kerrville Comprehensive Annual Financial Report will be presented at the meeting. The City engaged the audit firm of Rutledge, Crain, and Company, P.C. in Arlington to perform the annual audit and to prepare the financial report.

The Director of Finance will provide a brief overview of the audit findings and the audit committee recommendation.

RECOMMENDED ACTION

The Director of Finance recommends Council's acceptance of the FY 2010 City of Kerrville Comprehensive Annual Financial Report.

Agenda Item:
(Staff)

5F. Receive council direction on the FY 2012 budget.

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

SUBJECT: Receive Council Direction on the FY 2012 Budget

FOR AGENDA OF: April 12, 2011

DATE SUBMITTED: April 1, 2011

SUBMITTED BY: Mike Erwin 
Director of Finance

CLEARANCES: Todd Parton
City Manager

EXHIBITS:

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

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

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OR FINANCE:

SUMMARY STATEMENT

Begin discussions on the FY 2011 Proposed Budget and process.

RECOMMENDED ACTION

Staff requests continued direction from Council on the FY 2012 Proposed Budget.

Agenda Item:
(Staff)

5G. Strategic plan to address economic development needs.

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

SUBJECT: Provide direction to city staff regarding a strategic plan to address economic development needs for the City of Kerrville.

FOR AGENDA OF: April 12, 2011

DATE SUBMITTED: April 7, 2011

SUBMITTED BY: Todd Parton
City Manager

CLEARANCES: NA

EXHIBITS: Draft ED Strategy

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

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

PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DIRECTOR:

SUMMARY STATEMENT

Attached is a strategy for economic development prepared in accordance with the joint meeting held between the City Council and the EIC Board. This draft document was presented to the EIC Board at its regular March meeting.

The attached report is a first draft and being presented to the EIC and City Council to generate discussion and help both bodies establish a proactive approach to the community's economic development activities. Key planning documents have been used to create this strategy – Kerrville Comprehensive Plan, Kerrville Water and Wastewater Master Plan, and Kerrville/Kerr County Economic Development Strategic Plan. These documents are linked and outline a comprehensive vision for the community.

Page 5 contains a Findings section. This part of the report outlines short-term projects to help move the community forward over the near term (within the next 3 to 5 years). Short-term projects address business growth, river trail development, and downtown enhancements. Each of these components is grounded on the guiding documents referenced earlier.

RECOMMENDED ACTION

Staff recommends that the City Council discuss this strategy and provide direction to City staff. Staff further recommends that the City Council and EIC schedule another joint meeting to discuss this matter in further detail.



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

Economic Development Strategy
DRAFT – 3/18/2011

This document outlines a comprehensive vision to provide guidance for the near-term utilization of 4B Economic Development Sales Tax resources using existing planning documents. 4B funds provide a stable source of economic development capital that may be employed for both short-term and long-term programming and initiatives. In order that these funds are used to the maximum benefit and desire of the community it is important to understand both the comprehensive vision established by the citizens and the markets/industries that are appropriate for Kerrville and Kerr County.

The use of 4B funds for near-term projects is proposed within the context of a long-term strategy that employs the use of multiple funding resources and the coordinated efforts of the community's economic development partners. Allocating resources, especially to fund capital improvements, must be made in a manner that invests Kerrville's limited resources in a way that ensures the community achieves its vision.

Kerrville has engaged in significant efforts to refine its vision and prepare an implementation plan over the past several years. The tangible results of these efforts are the Kerrville Comprehensive Plan, Kerrville Water and Wastewater Master Plan, and the Kerrville/Kerr County Economic Development Strategic Plan. These three documents provide the foundation by which the City Council contemplates the allocation and utilization of the community's financial resources including the use of 4B funds. In fact, the City Council has created a set of goals that are evaluated annually as they initiate the budget process in an effort to ensure that incremental annual decisions remain consistent with the long-term view of the community.

This document contains several exhibits. These exhibits include excerpts from portions of the Kerrville Comprehensive Plan (2002 updated 2008) and the Kerrville/Kerr County Economic Development Strategic Plan 2008 that pertain to community development in addition to the Kerrville City Council Goals and the Kerrville 5-Year Capital Improvements Program.

FOUNDATION FOR THE ECONOMIC DEVELOPMENT STRATEGY

The ultimate objective is to achieve Kerrville's official vision pursuant to official planning documents adopted by the Kerrville City Council. Contained in the Kerrville Comprehensive Plan is the following vision statement:

Kerrville, the Heart of the Texas Hill Country, preserves its unique environment and natural resources while promoting economic growth, quality of life and opportunities for all residents.

By recognizing this vision statement and reviewing the common themes within the planning documents several strategic components have been established – Scope of Place, Quality of Place, and

Core Infrastructure. These three components combine to define the community in a very real way and to establish a functional means by which to realize the community vision.

SCOPE OF PLACE

The scope of place is a functional vision of the community that contemplates a practical application of the community's stated goals and objectives. It contemplates how the community would actually function and the types and intensities of uses and activities that would be appropriate to Kerrville. The official goal and policy statements of the City provide the basis for discerning Kerrville's "scope of place."

Three primary themes emerge that establish the "scope of place." These common themes are the Guadalupe River, the natural environment, and the quaintness/small town atmosphere of the community. When considered in tandem, these three factors clearly delineate the type of city that Kerrville's citizens expect. A review of the targeted sectors outlined in the EDSP is consistent with this "scope of place."

Implementation strategies of the three elements of "scope of place" are:

1. Guadalupe River
 - a. Investment in additional recreational amenities
 - b. Development as a commercial and retail corridor
 - c. Further enhance the river as a destination place for tourism
2. Natural Environment
 - a. Preserve those elements of the natural environment that make the community special
 - b. Maintain Kerrville as a physically attractive place by ensuring that development is compatible with the natural environment
 - c. Maintain Kerrville's brand as a desirable place to visit
3. Quaintness/Small Town Atmosphere
 - a. Increase commercial activity in the central business district
 - i. Attract additional appropriate retail and commercial prospects
 - ii. Construct additional streetscape enhancements
 - iii. Provide way finding and signage to direct visitors to points of interest
 - b. Protect historically significant and unique structures
 - c. Facilitate reuse of existing historically significant and unique structures
 - d. Enhance Kerrville's reputation as a place to be for local residents and for tourists
 - i. Create additional local shopping and retail opportunities unique to the community
 - ii. Hold additional local special events that help to increase tourism during non-peak tourism periods
 1. 4th of July
 2. Local music concerts/events – i.e. spring concert series
 3. Competitive events
 - a. Triathlons
 - b. Road races
 - c. Bicycle races
 - d. Rowing events
 - e. Fishing tournaments

- iii. Improve public amenities and gathering places
 - 1. Butt-Holdsworth Memorial Library Renovations
 - 2. Louise Hays Park improvements
 - 3. River trail development
- 4. Business
 - a. Retention and Growth of the local business sectors
 - i. Identify strongest sectors of the existing business community
 - ii. Develop incentive programs to help targeted local businesses grow and expand markets beyond the city limits
 - iii. Improve programming to assist small, local entrepreneurs to flourish and grow
 - b. Expansion into new markets or underserved markets
 - i. Identify ideal opportunities for growth of local business
 - ii. Actively develop and implement a strategy to recruit the target markets specified in the EDSP
 - c. Downtown
 - i. Invigorate activity within the central business district through actively pursuing appropriate types of businesses
 - ii. Increase commercial opportunities for established businesses within the downtown area through appropriate events, business assistance programs and marketing
 - iii. Enhance the sustainability for emerging businesses within the downtown area through appropriate events, business assistance programs and marketing
 - d. Develop Kerrville as regional commercial hub
 - i. IH-10 corridor
 - ii. Junction Highway corridor
 - iii. SH-27 corridor
 - iv. SH-16 corridor
 - v. Harper Highway corridor

QUALITY OF PLACE

Quality of place may be defined as the degree to which a community is attractive to a wide range of residents. It is based on the concept that change and diversity bring significant benefits to the community. Communities striving to improve their quality of place are working to provide options for current residents and well as for prospective residents.

For rural communities like Kerrville who are struggling to retain people and businesses, adopting a philosophy of quality of place will be critical to long-term economic competitiveness. Kerrville must be poised to attract a talented and qualified work force. To do so, Kerrville must invest in amenities that will make it more attractive to new residents than its other competitors. Items that are typically considered important quality of place factors are a diversity of choices in employment housing, entertainment, culture, recreation, and retail.

Implementation strategies for “quality of place” are:

- 1. Conserve natural resources and open spaces
 - a. Preserve more substantial portions of the Guadalupe River corridor

- i. Acquire property along the north and south sides of the Guadalupe River for open spaces, greenbelts and trail development
 - ii. Develop standards for riverfront development
 - b. Use natural waterways to provide water-oriented recreation opportunities
 - i. Increase public access to the Guadalupe River through recreation easements and boat ramps
 - ii. Develop a coordinated system of access points along the Guadalupe River
 - iii. Develop trails along the main stem of the Guadalupe River and its major tributaries
 - c. Preserve environmentally sensitive areas
 - i. Identify and preserve environmentally sensitive areas along the Guadalupe River as public open space and recreation areas
 - ii. Protect identified areas through conservation easements, density bonuses or fee simple purchase
 - iii. Use development incentives to preserve areas as either open spaces or as park dedications
 - d. Increase opportunities for tourism related activities and opportunities oriented around the Guadalupe River
 - i. Acquire additional land along the Guadalupe River that will serve local residents as well as tourists
 - ii. Develop additional recreational amenities along UGRA Lake
 - iii. Link the Kerrville River Trail with the central business district
 - iv. Provide nature trails and birding along the Guadalupe River
 - v. Provide opportunities for fishing and boating along the Guadalupe River
- 2. Develop a pedestrian and bicycle network
 - a. Utilize the Guadalupe River corridor for parks and recreation amenities and as a link between major attractions
 - i. Develop trail segments and related improvements along the river
 - ii. Create incentives for developments adjacent to the river to dedicate easements for public recreational use
 - iii. Develop access sites and improve existing amenities to meet ADA requirements
 - iv. Amend the existing easement along UGRA Lake to facilitate recreational uses and river corridor development
- 3. Culture
 - a. Butt-Holdsworth Memorial Library renovation and expansion
 - b. Public art program in downtown
 - c. Maximize use of the Cailloux Theatre for high-profile regional events

CORE INFRASTRUCTURE

The ability to accommodate or sustain development is entirely contingent upon Kerrville's ability to provide a dependable supply of water and treat wastewater. Planned water and wastewater projects comprise more than \$37 million of Kerrville's 5-Year Capital Improvements Program. Major enhancements to Kerrville's water supply and water distribution systems are nearing completion. The city has now initiated major enhancements to the core wastewater system.

- 1. Water Supply
 - a. Increase capacity to serve a population of 35,000

- b. Develop multiple supplies to ensure dependability through all drought conditions
 - i. Acquire run-of-river rights as they are identified and become available
 - ii. Increase ASR capabilities
 - iii. Drill additional ground water wells
 - c. Use effluent and re-use water to enhance raw water supplies
 - i. Divert effluent prior to discharge in the Guadalupe River to supplement ground water and surface water supplies
 - ii. Encourage residential and commercial development to utilize rain water catchment and other similar measures for non-potable water usage in order to preserve existing raw water supplies
2. Water System
- a. Increase capacity to serve a population of 35,000
 - b. Increase total water supply to ensure fire protection is met
 - i. 1,500 GPM along commercial corridors
 - ii. 1,000 GPM in residential areas
 - c. Expand the system in targeted areas where development is to be encouraged
 - i. Harper Highway
 - ii. Junction Highway
 - iii. IH-10
 - iv. SH-27
3. Wastewater System
- a. Increase capacity to serve a population of 35,000
 - b. Expand the system in targeted areas where development is to be encouraged
 - i. Harper Highway
 - ii. Junction Highway
 - iii. IH-10
 - iv. SH-27

FINDINGS

Reviews of these founding documents create a clear picture of what the community aspires to be. All the resources of the community must be fully maximized and the efforts of all of the economic development partners must be effectively coordinated in order to achieve the stated goals and objectives. In order to achieve the items listed here it will take the combined efforts and resources of all Kerrville's economic development partners.

Kerrville's economic development strategy should be scheduled to accommodate short-term, medium-term, and long-term objectives. Short-term objectives should be within the next 3 to 5 years, medium-term objectives should be within the next 5 to 10 years, and long-term objectives should be beyond 10 years.

Short-term projects are:

- 1. Business Growth
 - a. Water and wastewater utilities
 - i. Expand water supply
 - 1. Construct new ground water wells
 - 2. Construct 2 new ASR wells

3. Acquire run-of-river rights
4. Expand the wastewater treatment plant
- ii. Upgrade wastewater utility system
 1. Increase core wastewater system capacity to meet ultimate demand
- b. Water and wastewater utility extensions to Harper Highway and IH-10
- c. Small business assistance
 - i. Façade upgrade program
 - ii. Advertising for downtown businesses
 - iii. Expansion assistance
- d. Engage in recruitment of target markets as specified by the EDSP
 - i. High-end lodging
 - ii. Destination retail
 - iii. Entertainment
 - iv. Recreational facilities
2. River Trail Development
 - a. Kerrville River Trail Phase 1 – River Nature Center to Louise Hays Park
 - b. Louise Hays Park Improvements
3. Downtown Streetscape Enhancements
 - a. Water Street Enhancements
 - i. Sidewalk reconstruction
 - ii. Landscaping enhancements
 - iii. Street furniture
 - b. Wayfinding signage
 - c. Downtown gateway monumentation

4B SALES TAX REVENUES USED TO ACHIEVE SHORT-TERM OBJECTIVES

4B sales tax revenues provide initial capital to achieve some core components of the community's community development effort. However, these revenues comprise only a small portion of the funding needed to achieve the community's ultimate vision. It is imperative that these funds be utilized to their maximum and that they are used to achieve an appropriate mixture of immediate and long-term needs.

It is recommended that no more than 50% of 4B revenues to debt service that exceeds 10 years. The 50% benchmark is to be calculated by averaging the gross 4B sales tax revenues over the previous 10-year period. This policy will provide a means to accommodate larger-scale projects while preserving a substantial amount of operating capital each year.

With these financial limitations and the existing debt service obligations of the EIC, no more than \$500,000 of existing 4B sales tax revenues should be used to leverage debt that exceeds 10 years. EIC's existing debt matures in 2014 and this will free up approximately \$500,000 of the existing 4B revenues. This will allow the EIC Board to consider additional economic development programs and strategies beyond 2014 and provide additional capacity for long-term debt.

4B funds may be used to issue debt or provide direct cash allocations for the following program which would be consistent with the ultimate vision and the community's near term strategies:

Proposed EIC Funding for Near-Term Projects

Project	Amount	Funding Source
Downtown		
Streetscape Enhancements	\$1,000,000	2011 CO
River Trail Phase 1	\$2,000,000	2011 CO
Louise Hays Park Improvements	\$1,000,000	2011 CO
2011 CO Sub-Total	\$4,000,000	2011 CO
Utility Improvements		
Harper Highway	\$1,200,000	Cash
GRAND TOTAL	\$5,200,000	All Sources

To secure \$4 million in working capital it is estimated that debt service would be approximately \$300,000 for a 20-year term. The additional debt service of \$300,000 would leave an estimated \$1 million in unallocated sales tax revenues each year based upon current annual operating expenses, including the debt service obligation that fully matures in 2014. This assumes annual sales tax revenues of \$2.2 million which is the average income level for the past 10 fiscal years.

Exhibit A
Kerrville Comprehensive Plan 2002 (Updated 2008) (Excerpt)

KERRVILLE COMPREHENSIVE PLAN – Those goals and objectives contained within the Plan that provide direct guidance on the allocation of resources related to community development are listed here. These goals were the foundation by which Kerrville’s 5-Year Capital Improvements Plan was created.

Link 3 – Land Use

- Goal 3.1 Promote growth in appropriate areas so as to guide future development in a well-managed and fiscally responsible manner.
- Goal 3.3 Maintain and improve parks and recreational areas.
- Goal 3.4 Make the Guadalupe River a focus of Kerrville.

Link 4 – Transportation

- Goal 4.1 Improve citywide transportation mobility through key thoroughfare system improvements.
- Goal 4.2 Identify long-term transportation improvements.
- Goal 4.4 Promote and enhance pedestrian and bicycle routes.
- Goal 4.5 Provide for and enhance the long-term development of the Louis Schreiner Municipal Airport as a viable transportation and economic resource.

Link 5 – Utilities

- Goal 5.1 Expand the water system capacity to meet projected 2020 demands.
- Goal 5.2 Improve water distribution, wastewater collection and storm drainage systems to eliminate problem areas and improve system efficiencies.
- Goal 5.5 Expand the use of recycled water and develop systems for its maximum benefit.

Link 6 – Communications Technology

- Goal 6.5 Promote use of communications technology to enhance the economic vitality of Kerrville.
- Goal 6.6 Facilitate the creation of an advanced communications network infrastructure for Kerrville citizens, businesses and industries.

Link 7 – Central City

- Goal 7.1 Preserve, protect and enhance the natural amenities, visual identity and relationship of the Guadalupe River with Central City.
- Goal 7.2 Develop Central City with a cohesive identity that is built upon maintaining and appreciating the strengths of its various areas.
- Goal 7.3 Preserve and enhance the historical and cultural resources of the Central City area.
- Goal 7.4 Enhance physical, economic and social characteristics the Central City to attract more residents and visitors of Kerrville, making Central City the activity center and focal point of the community.
- Goal 7.6 Establish mechanisms for moving goals and objectives for Central City from vision to reality.

Link 8 – Parks and Recreation

- Goal 8.1 Conserve natural resources and open spaces through park and recreation land acquisition, open space preservation and environmentally sensitive planning.

- Goal 8.3 Develop a pedestrian and bicycle network of sidewalks, trails and bikeways which connect neighborhoods to parks, schools, shopping centers, public buildings, open spaces and other destinations.
- Goal 8.4 Provide and fund a diverse blend of parks and recreation opportunities to adequately accommodate the current and future needs of Kerrville's residents.

Link 9 – Corridor Design

- Goal 9.1 Preserve and protect the Guadalupe River Corridor in a manner that maintains the environmental and aesthetic integrity of the corridor while enhancing its value as a pathway and recreational resource.
- Goal 9.3 Ensure that Kerrville's major corridors and gateways provide an impression of attractiveness, cohesion and pride in the community that is distinctive to Kerrville.
- Goal 9.4 Create corridors that are inviting to pedestrians and other modes of transportation beyond the automobile.

Link 10 – Economic Development

- Goal 10.1 Recruit, expand and retain businesses and industries that are environmentally friendly and pay an above average wage.
- Goal 10.2 Improve the quality of the present and future labor supply in Kerrville.
- Goal 10.3 Ensure that a variety of housing opportunities is available to existing and future residents of Kerrville.
- Goal 10.4 Enhance tourism opportunities by building upon natural amenities and recreation opportunities, expanding cultural and historical tourism, and increasing the community's ability to host conferences and conventions.
- Goal 10.5 Encourage development of a diverse economy in the Central City area that is driven by market demand and provided by economic incentives.
- Goal 10.6 Develop the tools, projects and programs necessary to position Kerrville as a hub for business and industry that utilizes its resources and quality of life to be competitive in the global marketplace.

Link 11 – Public Facilities

- Goal 11.3 Support growth and expansion of the Butt-Holdsworth Memorial Library and its efforts in providing educational and information services to residents.

Exhibit B
Kerrville/Kerr County Economic Development Strategic Plan 2008 (Excerpt)

KERRVILLE/KERR COUNTY ECONOMIC DEVELOPMENT STRATEGIC PLAN 2008 (EDSP) – Kerrville and Kerr County collaborated to create the EDSP in 2008. The EDSP has established priorities for local economic development efforts; analyzed the community’s strengths, opportunities, weaknesses and threats; and outlined the near-term and long-term targeted sectors appropriate to the community.

EDSP Priorities

- Priority 1 Focus on a select group of target industries that offer the best prospects for recruitment.
- Priority 2 Adopt incentive policy guidelines that are competitive with other regions while protecting the tax base.
- Priority 3 Ensure that economic opportunity and advancement are available to all Kerrville/Kerr County residents by growing the middle class.
- Priority 4 Enact a coordinated economic development marketing campaign that increases awareness and perception of the community to the outside world.
- Priority 5 Implement the strategies in such a way that maximum flexibility and accountability are maintained.

SWOT

Strengths

- | | |
|----------------------------|---------------------------------|
| Scenic Natural Environment | Local Healthcare |
| Retiree Community | Arts/Culture |
| Tourism Industry | Proximity to San Antonio/Austin |
| Positive Brand Awareness | Airport and University |

Weaknesses

- | | |
|-----------------------------------|-----------------------------|
| Availability of Qualified Workers | Lack of Affordable Housing |
| Cost of Living | Shortage of Skilled Workers |
| Few Major Employers | Retail Leakage |

Opportunities

- | | |
|------------------------------------|--------------------------------------|
| Expand Retail/Recreational Options | Downtown Development District |
| Target ‘Legacy’ Businesses | Market to Tourists, Texas Developers |
| Entrepreneurship | Workforce Training |

Threats

- | | |
|------------------------------------|---|
| Downtown Vacancies, Inactivity | Workforce Limits Industry Recruitment |
| Growing Gap in Housing Costs/Wages | Better Jobs/Wages in Neighboring Metros |

Targeted Sectors

<u>Sector</u>	<u>Short Term</u>	<u>Long Term</u>	<u>Niches</u>	<u>Local Assets</u>
Professional Training	X	X	X	X
<i>Corporate/Management</i>				
<i>Aircraft</i>				
Legacy Production			X	X
<i>Aircraft Related</i>				
<i>Jewelry Related</i>				
<i>Plastics</i>				
<i>Specialty Food Processing</i>				
Tourism Related	X	X	X	X
<i>High-end Lodging</i>				
<i>Destination Retail</i>				
<i>Entertainment</i>				
<i>Recreational Sports Facilities</i>				
Advanced Building Practices	X	X	X	X
<i>Water/Wastewater</i>				
<i>Materials/Energy Systems</i>				
Life Science		X	X	X
<i>Physicians/Nursing</i>				
<i>Laboratory-Based Testing</i>				
<i>Local Population Based</i>				

Exhibit C City Council Goals

CITY COUNCIL GOALS – City Council evaluates and reaffirms the following goals each year as it initiates the annual budget process. These goals link directly back to the City’s major planning documents and help to ensure that incremental budgetary decisions remain consistent with the overall vision for the City.

- Understand the citizens’ needs and wants.
- Deliver quality municipal and public safety services in a cost effective manner.
- Be good stewards of public resources through strategic planning.
- Plan, maintain, and upgrade infrastructure.
- Promote desirable growth of business, recreational, and cultural assets.
- Encourage intelligent development through reasonable, responsible, and forward thinking ordinances and streamlined procedures.
- Engage in beneficial relations with other governmental agencies.

**Exhibit D
5-Year CIP**

Five Year Capital Improvement Plan FY 2011-2015
Projects By Funding Source

Funding Source: General Fund

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Future Funding	TOTAL
Safe Routes to School Program	\$60,000	\$0	\$0	\$0	\$0	\$0	\$60,000
Callioux Center ADA Compliance Repairs	\$50,000	\$200,000	\$0	\$0	\$0	\$0	\$250,000
Airport RAMP Grants	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$0	\$125,000
Olympic Pool Repair and Renovation Phase I	\$0	\$40,000	\$0	\$0	\$0	\$0	\$40,000
Station 4 - 911 Ambulance	\$0	\$236,500	\$0	\$0	\$0	\$0	\$236,500
Thoroughfare Plan Update	\$0	\$30,000	\$70,000	\$50,000	\$0	\$0	\$150,000
Louise Hays Park Renovations	\$0	\$0	\$25,000	\$0	\$0	\$0	\$25,000
Scott Schreiner Golf Course Parking Lot Improvements	\$0	\$0	\$0	\$120,000	\$0	\$0	\$120,000
TOTAL	\$135,000	\$531,500	\$120,000	\$195,000	\$25,000	\$0	\$1,006,500

Impact on General Fund Operation

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Future Funding	TOTAL
Safe Routes to School Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Callioux Center ADA Compliance Repairs	\$20,000	\$20,000	\$0	\$0	\$0	\$0	\$40,000
Airport RAMP Grants	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Olympic Pool Repair and Renovation Phase I	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Station 4 - 911 Ambulance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Thoroughfare Plan Update	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Louise Hays Park Renovations	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Scott Schreiner Golf Course Parking Lot Improvements	\$0	\$0	\$0	\$10,000	\$0	\$0	\$10,000
TOTAL	\$20,000	\$20,000	\$0	\$10,000	\$0	\$0	\$50,000

Funding Source: Water/Sewer

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Future Funding	TOTAL
WWTP Paving for Building	\$50,000	\$0	\$0	\$0	\$0	\$0	\$50,000
Water Supply Acquisition	\$50,000	\$50,000	\$50,000	\$50,000	\$0	\$0	\$200,000
Water System Leak Detection Program	\$0	\$50,000	\$50,000	\$50,000	\$50,000	\$0	\$200,000
G Street Lift Station Decommission	\$0	\$0	\$70,000	\$0	\$0	\$0	\$70,000
Remote Well Field Analysis	\$0	\$0	\$0	\$0	\$0	\$200,000	\$200,000
Water Production Maintenance Building	\$0	\$0	\$0	\$0	\$0	\$700,000	\$700,000
TOTAL	\$100,000	\$100,000	\$170,000	\$100,000	\$50,000	\$900,000	\$1,420,000

Impact on Water/Sewer Operations

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Future Funding	TOTAL
WWTP Paving for Building	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water Supply Acquisition	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water System Leak Detection Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0
G Street Lift Station Decommission	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Remote Well Field Analysis	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water Production Maintenance Building	\$0	\$0	\$0	\$0	\$0	\$10,000	\$10,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$10,000	\$10,000

Funding Source: General Fund Debt

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Future Funding	TOTAL
Aerial Platform Ladder Truck Replacement	\$0	\$1,300,000	\$0	\$0	\$0	\$0	\$1,300,000
Arcadia Loop Cut-Off	\$0	\$327,000	\$0	\$0	\$0	\$0	\$327,000
Remedial Drainage Program	\$0	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000
Sample Park	\$0	\$100,000	\$0	\$0	\$0	\$0	\$100,000
Schultz Park Renovation	\$0	\$100,000	\$0	\$0	\$0	\$0	\$100,000
Singing Winds Park	\$0	\$200,000	\$0	\$0	\$0	\$0	\$200,000
Westland Park	\$0	\$100,000	\$0	\$0	\$0	\$0	\$100,000
Street Reconstruction	\$0	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$0	\$6,000,000
Relocate Central Fire Station/Admin Offices	\$0	\$0	\$4,205,000	\$0	\$0	\$0	\$4,205,000
Fire Station #5	\$0	\$0	\$0	\$0	\$0	\$1,871,000	\$1,871,000
G-Street Bridge over Quinlan Creek	\$0	\$0	\$0	\$0	\$0	\$2,245,000	\$2,245,000
Olympic Pool Complex Renovation Phase II	\$0	\$0	\$0	\$0	\$0	\$500,000	\$500,000
Spur 100 Extension Phase I	\$0	\$0	\$0	\$0	\$0	\$5,000,000	\$5,000,000
TOTAL	\$0	\$4,627,000	\$5,705,000	\$1,500,000	\$1,500,000	\$9,616,000	\$22,948,000

Impact on General Fund Operation

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Future Funding	TOTAL
Aerial Platform Ladder Truck Replacement	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Arcadia Loop Cut-Off	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Remedial Drainage Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sample Park	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Schultz Park Renovation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Singing Winds Park	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Westland Park	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Street Reconstruction	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Relocate Central Fire Station/Admin Offices	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Station #5	\$0	\$0	\$0	\$0	\$0	\$10,000	\$10,000
G-Street Bridge over Quinlan Creek	\$0	\$0	\$0	\$0	\$0	\$20,000	\$20,000
Olympic Pool Complex Renovation Phase II	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Spur 100 Extension Phase I	\$0	\$0	\$0	\$0	\$0	\$20,000	\$20,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$50,000	\$50,000

Funding Source: Water/Sewer Debt

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Future Funding	TOTAL
Birkdale Lift Station & New Force Main	\$4,866,000	\$0	\$0	\$0	\$0	\$0	\$4,866,000
Force Main Co-mingle Box at WWTP	\$305,000	\$0	\$0	\$0	\$0	\$0	\$305,000
G Street 24"/27" Interceptor	\$308,000	\$2,052,900	\$0	\$0	\$0	\$0	\$2,360,900
III Evaluation, Rehabilitation and Replacement - Engineering	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$200,000
I/I Evaluation, Rehabilitation and Replacement Construction	\$600,000	\$600,000	\$600,000	\$0	\$0	\$0	\$1,800,000
WTP Clearwell Improvements	\$0	\$2,760,000	\$0	\$0	\$0	\$0	\$2,760,000
New Jefferson Lift Station & New Force Main to G Street Interceptors	\$0	\$644,500	\$4,290,000	\$0	\$0	\$0	\$4,934,500
Knapp Lift Station Expansion	\$0	\$0	\$349,000	\$2,324,000	\$0	\$0	\$2,673,000
12" Water Line from Meadowview Well	\$0	\$0	\$0	\$828,000	\$0	\$0	\$828,000
Leslie Drive Water Main Loop around Benson	\$0	\$0	\$0	\$542,000	\$0	\$0	\$542,000
New Legion Basin 24" Interceptor	\$0	\$0	\$0	\$899,500	\$0	\$0	\$899,500
Quinlan Basin 15" Interceptor	\$0	\$0	\$0	\$1,163,000	\$0	\$0	\$1,163,000
Reconstruction of Road Surface at Wastewater Treatment Plant	\$0	\$0	\$0	\$450,000	\$0	\$0	\$450,000
12 Inch Line Crossing Guadalupe River	\$0	\$0	\$0	\$110,000	\$731,000	\$0	\$841,000
Lois Pump Station Expansion	\$0	\$0	\$0	\$45,000	\$300,000	\$0	\$345,000
Redirect Broadway Force Main	\$0	\$0	\$0	\$48,000	\$317,000	\$0	\$365,000
River Hill Pressure Plane Improvements	\$0	\$0	\$0	\$188,503	\$1,256,688	\$0	\$1,445,191
SH 173 Force Main Extension	\$0	\$0	\$0	\$46,000	\$306,000	\$0	\$352,000
Stadium Pump Station Expansion	\$0	\$0	\$0	\$75,000	\$480,000	\$0	\$555,000
Spur 98 Water Line (WTP to Spur 98 Bridge)	\$0	\$0	\$0	\$0	\$88,000	\$700,000	\$788,000
Guadalupe Plaza Lift Station Elimination	\$0	\$0	\$0	\$0	\$0	\$145,000	\$145,000
Jefferson Basin 12" and 15" Interceptor	\$0	\$0	\$0	\$0	\$0	\$979,000	\$979,000
UTC Building	\$0	\$0	\$0	\$0	\$0	\$750,000	\$750,000
Wastewater Treatment Aquifer Replenishment	\$0	\$0	\$0	\$0	\$0	\$6,825,000	\$6,825,000
Water Plant Addition Phase II (IMGD)	\$0	\$0	\$0	\$0	\$0	\$239,000	\$239,000
TOTAL	\$6,179,000	\$6,157,400	\$5,239,000	\$6,719,003	\$3,478,688	\$9,638,000	\$37,411,091

Impact on Water/Sewer Operation

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Future Funding	TOTAL
Birkdale Lift Station & New Force Main	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$120,000
Force Main Co-mingle Box at WWTP	\$0	\$0	\$0	\$0	\$0	\$0	\$0
G Street 24"/27" Interceptor	\$0	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000
III Evaluation, Rehabilitation and Replacement - Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0
I/I Evaluation, Rehabilitation and Replacement Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0
WTP Clearwell Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Jefferson Lift Station & New Force Main to G Street Interceptors	\$0	\$0	\$10,000	\$10,000	\$10,000	\$10,000	\$40,000
Knapp Lift Station Expansion	\$0	\$0	\$0	\$10,000	\$10,000	\$10,000	\$30,000
12" Water Line from Meadowview Well	\$0	\$0	\$0	\$5,000	\$5,000	\$5,000	\$15,000
Leslie Drive Water Main Loop around Benson	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Legion Basin 24" Interceptor	\$0	\$0	\$0	\$5,000	\$5,000	\$5,000	\$15,000
Quinlan Basin 15" Interceptor	\$0	\$0	\$0	\$5,000	\$5,000	\$5,000	\$15,000
Reconstruction of Road Surface at Wastewater Treatment Plant	\$0	\$0	\$0	\$20,000	\$0	\$0	\$20,000
12 Inch Line Crossing Guadalupe River	\$0	\$0	\$0	\$0	\$5,000	\$5,000	\$10,000
Lois Pump Station Expansion	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Redirect Broadway Force Main	\$0	\$0	\$0	\$0	\$0	\$0	\$0
River Hill Pressure Plane Improvements	\$0	\$0	\$0	\$0	\$10,000	\$10,000	\$20,000
SH 173 Force Main Extension	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Stadium Pump Station Expansion	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Spur 98 Water Line (WTP to Spur 98 Bridge)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Guadalupe Plaza Lift Station Elimination	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Jefferson Basin 12" and 15" Interceptor	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UTC Building	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wastewater Treatment Aquifer Replenishment	\$0	\$0	\$0	\$0	\$0	\$10,000	\$10,000
Water Plant Addition Phase II (IMGD)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$20,000	\$25,000	\$35,000	\$80,000	\$75,000	\$85,000	\$320,000

Funding Source: Other

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Future Funding	TOTAL
Butt-Holdsworth Memorial Library Renovation / Expansion	\$0	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000
River Trail II & III	\$0	\$0	\$0	\$0	\$0	\$4,200,000	\$4,200,000
Spur 100 Extension Phase I	\$0	\$0	\$0	\$0	\$0	\$5,000,000	\$5,000,000
TOTAL	\$0	\$1,000,000	\$0	\$0	\$0	\$9,200,000	\$10,200,000

Impact on General Fund and/or W/S Operations

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Future Funding	TOTAL
Butt-Holdsworth Memorial Library Renovation / Expansion	\$0	\$0	\$0	\$0	\$0	\$0	\$0
River Trail II & III	\$0	\$0	\$0	\$0	\$0	\$10,000	\$10,000
Spur 100 Extension Phase I	\$0	\$0	\$0	\$0	\$0	\$20,000	\$20,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$30,000	\$30,000

Agenda Item:
(Staff)

- 5H. Update regarding Lower Colorado River Authority Transmission Services Corporation (LCRA-TSC) application for the proposed McCamey D to Kendall to Gillespie CREZ project PUC Docket No. 38354; City of Kerrville, Kerrville Public Utility Board, and City of Junction v. PUC, Cause No. D-1-GV-000324, in the 98th District Court of Travis County.

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

SUBJECT: Update regarding Lower Colorado River Authority Transmission Services Corporation application for the proposed McCamey D to Kendall to Gillespie CREZ project.

FOR AGENDA OF: April 12, 2011 **DATE SUBMITTED:** April 8, 2011

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

EXHIBITS: None

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

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

PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DEPARTMENT:

SUMMARY STATEMENT

City Staff will provide on update regarding the CREZ Project.

RECOMMENDED ACTION

Discussion and possible action as may be necessary.

Agenda Item:
(Staff)

6A. Kerrville's Fourth on the River committee report.

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

SUBJECT: 2011 Kerrville's 4th on the River Plan Update

FOR AGENDA OF: April 12, 2011 **DATE SUBMITTED:** March 23, 2011

SUBMITTED BY: Mindy N. Wendele **CLEARANCES:** Todd Parton
Director of Business Programs City Manager

EXHIBITS:

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER:



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

PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DIRECTOR:

SUMMARY STATEMENT

The Kerrville's 4th on the River committee has been meeting since September 2010 to discuss the 2011 4th of July event concerning partnerships, activities, scheduling and logistics. Staff has briefed Council throughout the months including presenting a draft budget, an activity location map and a volunteer commitment list. The council also received an update on the entertainment cultivation efforts currently underway by the committee.

Committee members will brief City Council on committee activities since the January update. They also will formally announce the entertainment lineup for the day.

RECOMMENDED ACTION

For information and discussion.

Agenda Item:
(Staff)

6B. Library update.

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

SUBJECT: Update on Library Statistics and Diabetes Program at the Library

FOR AGENDA OF: April 12, 2011

DATE SUBMITTED: March 29, 2011

SUBMITTED BY: Daniel C. Schwartz
Library Director

CLEARANCES: Kim Meisner
Director of General Operations

EXHIBITS: Circulation Statistics, Patron Statistics, Statistics By Fiscal Year

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER:

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

PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DEPARTMENT:

SUMMARY STATEMENT

As you know, we are up and running with our new Integrated Library System (Millennium). We will provide an update on current Library statistical information.

During the renovation, the Library will relocate to the History Center. A proposal for a reduction of operating hours and staffing changes will be presented to the Library Advisory Board on April 19, 2011. After approval by the Library Advisory Board, the information will be presented to the City Council and Commissioner's Court for approval.

An informational diabetes program will be held at the Butt-Holdsworth Memorial Library. This event is possible through our membership in the Alamo Area Library System with a partnership with the University of Texas Health Science Center Library of San Antonio.

The program is scheduled for April 28, 2011 from 5:30 pm -6:30 pm in the library's meeting room. Information will be presented on finding factual information about diabetes through resources available online.

RECOMMENDED ACTION

This item is presented for information only, no action is required at this time.

**Butt-Holdsworth Memorial Library
Circulation Counts as of 3/29/2011**

Location	Current Checkouts	Total Checkouts
Kerrville (within City limits)	3100	11772
Kerr County	2508	9263
<i>Kerrville - Kerr County</i>	<i>1671</i>	<i>6335</i>
<i>Center Point - Kerr County</i>	<i>194</i>	<i>688</i>
<i>Comfort - Kerr County</i>	<i>11</i>	<i>22</i>
<i>Harper - Kerr County</i>	<i>4</i>	<i>13</i>
<i>Hunt - Kerr County</i>	<i>146</i>	<i>462</i>
<i>Ingram - Kerr County</i>	<i>384</i>	<i>1389</i>
<i>Mountain Home - Kerr County</i>	<i>98</i>	<i>354</i>
Bandera County	14	56
Edwards County	1	5
Gillespie County	61	283
Kendall County	11	28
Kimball County	5	25
Real County	11	25
State of Texas	22	42
Out of State	8	74
Total:	5741	21573
Kerrville %	54.00%	54.57%
Kerr County %	43.69%	42.94%
Adjacent Counties %	1.79%	1.96%
State of Texas %	0.38%	0.19%
Out of State %	0.14%	0.34%

Butt-Holdsworth Memorial Library						
Patron Count Report as of 03/29/2011						
Location	Juvenile 0-12 years	Young Adult 13-17 years	Adult 18-64 years	Seniors 65+ years	Totals	
Kerrville (within City limits)	113	44	771	510	1438	
Kerr County	65	38	618	402	1123	
<i>Kerrville - Kerr County</i>	39	21	369	260	689	
<i>Center Point - Kerr County</i>	6	5	60	31	102	
<i>Comfort - Kerr County</i>	0	0	2	4	6	
<i>Harper - Kerr County</i>	1	2	4	2	9	
<i>Hunt - Kerr County</i>	2	1	36	26	65	
<i>Ingram - Kerr County</i>	14	4	113	66	197	
<i>Mountain Home - Kerr County</i>	3	5	34	13	55	
Bandera County	0	0	9	4	13	
Edwards County	0	0	0	1	1	
Gillespie County	0	0	21	7	28	
Kendall County	0	0	5	1	6	
Kimball County	0	0	3	0	3	
Real County	0	0	1	2	3	
State of Texas	0	0	6	2	8	
Out of State	0	0	6	5	11	
Total:	178	82	1440	934	2634	
	% of Card Holders			% of Card Holders		
Kerrville %	54.59%		Juvenile %	6.76%		
Kerr County %	42.63%		Young Adult %	3.11%		
Adjacent Co. %	2.05%		Adult %	54.67%		
State of Texas %	0.30%		Seniors %	35.46%		
Out of State %	0.42%		Total:	100.00%		

**Butt-Holdsworth Memorial Library (BHML)
Statistics as of March 29, 2011**

Statistics By Fiscal Year:

Statistics	FY05	FY06	FY07	FY08	FY09	FY10	FY11 to date
Circulation of Library Materials	186,131	183,232	175,520	176,866	183,606	168,816	59,861
Reference Transactions	24,105	27,680	25,912	31,721	28,052	24,564	9,379
Gate Count	169,104	170,566	165,167	167,548	161,458	160,401	62,345
Internet/Electronic Resource Use	47,209	48,025	48,951	53,913	51,972	49,316	18,840
Born to Read Program Started FY09	0	0	0	0	65	390	140
Summer Program Participants	1,837	1,987	1,380	1,664	3,187	3,249	N/A

NOTE: "FY11 to date" column includes circulation statistics from Galaxy from the time period 10/01/2010 – 1/23/2011.

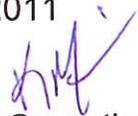
Agenda Item:
(Staff)

6C. Voice Over Internet Protocol (VOIP) completion update.

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

SUBJECT: Update on Completion of Voice over Internet Protocol (VoIP) System Installation

FOR AGENDA OF: April 12, 2011 **DATE SUBMITTED:** March 25, 2011

SUBMITTED BY: Travis Cochran  **CLEARANCES:** Kim Meisner 
Director of Information Technology Director of General Operations

EXHIBITS:

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

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

PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DIRECTOR:

SUMMARY STATEMENT

On November 9, 2010 the City Council awarded a contract to Windstream Communications for the installation of a new city-wide voice over IP telephone system. The project began on November 30, 2010 and was completed on March 29, 2011.

IT met with each department to discuss their specific needs for the new phone system including defining their new numbers, identifying numbers which need to transfer to the new system, identifying call routing options and a host of other functionality.

During January, the staging of equipment began including hardware installation. Next, we began system programming and testing. The original system cut-over date was scheduled for February 18, 2011. However, due to some core hardware issues and other miscellaneous delays we performed our system cut-over on March 29, 2011. Beginning in FY12, we anticipate this new system to provide the City with annual savings of approximately \$40,000.

RECOMMENDED ACTION

This item is presented as an update for informational purposes only – no action is required by Council.

Agenda Item:
(Staff)

6D. Economic update.

CITY OF KERRVILLE
ECONOMIC UPDATE AS OF April 6, 2011

	Current Month	Previous Month	1 Year Ago	Trend	Current Month
National					
Unemployment	8.80%	8.90%	9.70%	↓	March
Consumer Confidence	63.4	72	52.3	↓	March
1 year T-Bills	0.29%	0.23%	0.48%	↑	4/6/11

	Current Month	Previous Month	1 Year Ago	Trend	Current Month
State					
Monthly Unemployment	8.20%	8.50%	8.40%	↓	February
Monthly Sales Tax	\$1,749.5m	\$1,828.1m	\$1,595.2m	↑	February

	Current Month	Previous Month	1 Year Ago	Trend	Current Month
Local					
Monthly Unemployment (Kerr Co.)	6.40%	6.70%	6.20%	↓	February
Median Listing Price	\$210,000	\$199,000	\$210,000	↑	4/1/11
Monthly Sales Tax	\$339,554	\$482,684	\$326,272	↑	March
Monthly EIC Tax	\$169,754	\$241,320	\$163,136	↑	March
Monthly HOT	\$49,664	\$40,576	\$44,031	↑	March

	FY11 Budget	FY11 as of 03/31/2011	FY11 % Received	FY10 as of 03/31/2010	FY10 % Received
General Fund					
Tax Revenue	\$14,647,100	\$10,921,518	74.56%	\$10,642,293	70.69%
Property Tax	\$8,240,000	\$7,800,556	94.67%	\$7,743,496	91.44%
Sales Tax	\$4,500,000	\$2,334,695	51.88%	\$2,220,426	48.02%
Permits & Fees	\$402,450	\$168,900	41.97%	\$168,952	45.57%
Intergovernmental	\$707,013	\$367,000	51.91%	\$316,149	45.48%
Service Revenues	\$2,578,260	\$1,216,735	47.19%	\$1,485,524	44.86%
Grant Revenue	\$10,000	\$17,515	175.15%	\$10,525	105.25%
Fines & Forfeitures	\$477,710	\$301,105	63.03%	\$253,922	50.33%
Interest & Misc.	\$235,372	\$203,671	86.53%	\$300,227	65.24%
Transfers In	\$1,000,000	\$500,000	50.00%	\$721,951	57.26%
Total General Fund	\$20,057,905	\$13,696,444	68.28%	\$13,899,543	64.15%
Total General Fund Expenditures	\$20,057,905	\$9,504,526	47.39%	\$10,644,578	47.41%

	FY11 Budget	FY11 as of 03/31/2011	FY11 % Received	FY10 as of 03/31/2010	FY10 % Received
Water/Sewer Fund					
Water Sales	\$4,400,000	\$2,273,767	51.68%	\$1,896,027	6.29%
Sewer Sales	\$3,760,000	\$1,739,046	46.25%	\$1,852,693	7.17%
Other Revenue	\$782,124	\$449,197	57.43%	\$422,245	63.07%
Total Water & Sewer Fund	\$8,942,124	\$4,462,010	49.90%	\$4,170,966	43.31%
Total W&S Fund Expenditures	\$9,242,124	\$4,516,705	48.87%	\$4,086,593	43.13%

Agenda Item:
(Staff)

- 7A. Appointments to the parks and recreation advisory board.

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

SUBJECT: Appointments to the Parks and Recreation Advisory Board

FOR AGENDA OF: April 12, 2011

DATE SUBMITTED: March 30, 2011

SUBMITTED BY: Brenda Craig
City Secretary *BC*

CLEARANCES:

EXHIBITS: Board List

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: *JP*

SUMMARY STATEMENT

Consider appointments to the following board:

Parks and Recreation Advisory Board: Five terms expired on March 31, 2011:
Diane McMahon, Dana Cardwell, Jim Gardner, Stephen Roberts, and Scotty
Schmerber.

RECOMMENDED ACTION

Consider appointments.

PARKS AND RECREATION ADVISORY BOARD

	<u>Telephone</u>	<u>Orig. Appt.</u>	<u>Re-Appt. Date</u>	<u>Exp. Date</u>
ZUBER, RUSTIN Chairperson 514 East Lane	895-2829 (O) 895-4913 (H) 895-1673 (F)	04-08-08	04-13-10	03-31-12
MCPHON, DIANE Vice-Chairperson 1904 Danielle Drive	896-3195 (H)	04-14-09		03-31-11
CARDWELL, DANA 1225 Virginia	285-5095 (C)	09-28-10		03-31-11
GARDNER, JIM 200 Fairway Dr.	285-2129 (C)	04-14-09		03-31-11
NYE-SALLADIN, LISA 1015 Morningside Dr.	377-7198 (C) 896-3834 (H)	04-13-10		03-31-12
ROBERTS, STEPHEN 2410 Memorial Blvd.	370-1630 (H) 257-0625 (O)	09-28-10		03-31-11
SANDER, SUSAN 500 Josephine	329-6923 (C) 896-7936 (H)	04-13-10		03-31-12
SCHMERBER, SCOTTY 429 Mack Hollimon	459-6883 (C) 896-5475 (H)	04-14-09		03-31-11
COUNCIL LIAISON:				
Stacie Keeble 3533 La Cumbre Drive	895-7725 (H)			
CITY STAFF:				
Kristine Ondrias, Assistant City Manager	792-8384 (O)			
Malcolm Matthews Director of Parks & Recreation	258-5506 (O)			

Qualifications: A majority shall be residents of the city of Kerrville, and all shall be residents of Kerr County.

Powers and Duties: Shall constitute an advisory board to the city council and shall periodically assist city staff in procedural matters. The board shall have authority to hold hearings in the city and to consider and make recommendations to the city council in writing on any and all matters pertaining to the city's parks and recreation system.

Term of Office: Two years with a maximum of two terms. No member shall serve more than two terms without having at least one full year off between terms.

Quorum: Five

Members: Eight

Meeting Time & Place: Third Thursday, 8:30 a.m., City Council Chambers

Absences: Any member having three consecutive unexcused absences shall have his membership reviewed by the board. By majority vote, the board may recommend to the council that such member be removed from office. The council may then act upon such recommendation and either remove or retain

Established by: such member.
Ordinance No. 1984-37, amended by Ordinance No. 1987-24
Code of Ordinances: Chapter 74 - Article II – Sections 74-31 through 74-38
Revised: September 29, 2010