

**AGENDA FOR REGULAR MEETING**

**KERRVILLE CITY COUNCIL**

**TUESDAY SEPTEMBER 13, 2011, 6:00 P.M.**

**CITY HALL COUNCIL CHAMBERS**

**800 JUNCTION HIGHWAY, KERRVILLE, TEXAS**

**KERRVILLE CITY COUNCIL AGENDA**  
**REGULAR MEETING, TUESDAY, SEPTEMBER 13, 2011, 6:00 P.M.**  
**CITY HALL COUNCIL CHAMBERS**  
**800 JUNCTION HIGHWAY, KERRVILLE, TEXAS**

**CALL TO ORDER**

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

**PLEDGE OF ALLEGIANCE TO THE FLAG** led by Stan Bujak, 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. RECOGNITIONS AND COMMENDATIONS:**

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

**3. CONSENT AGENDA:**

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

3A. Approval of the minutes of the special city council budget workshop held August 22 and the regular city council meeting held August 23, 2011. (staff)

3B. A resolution authorizing the closure of a portion of State Highway 27 during certain hours for the Kerrville Triathlon Festival 2011. (staff)

3C. Professional services agreement with Espey Consultants, Inc. in the amount of \$125,000.00 to perform engineering design and construction management services for the ASR #3B project. (staff)

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

I do hereby certify that this notice of meeting was posted on the bulletin board at the city hall of the city of Kerrville, Texas, and said notice was posted on the following date and time: September 9, 2011 at 3:00 p.m. and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

Brenda Craig  
City Secretary, City of Kerrville, Texas

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3D. A resolution adopting a list of qualified brokers that are authorized to engage in investment transactions with the city. (staff)

3E. Extension of the existing contract with Maxey Energy for bulk fuel and card services through September 30, 2012. (staff)

3F. Approval of the City of Kerrville, Texas Economic Improvement Corporation (EIC) purchase and sale agreement with the Kerr Economic Development Foundation (KEDF) for the purchase of approximately 86.71 acres located at 300 Peterson Farm Road. (staff)

3G. Contract with Kerr County Tax Assessor/Collector for conducting the City of Kerrville General Election to be held on May 12, 2012, estimated at \$6,152.42. (staff)

3H. Land Lease for Off Airport property between the City of Kerrville and the Federal Aviation Administration (FAA) providing land rights to the FAA for an outer marker and compass locator site. (staff)

3I. Authorization to make application to the Federal Emergency Management Agency (FEMA) Assistance to Firefighters Grant (AFG) for fire and EMS equipment in an amount not to exceed \$326,640 for thirty-five (35) high pressure self contained breathing apparatus, and an amount not to exceed \$74,623 for six (6) powered ambulance cots (stretchers).

**END OF CONSENT AGENDA**

**4. FISCAL YEAR 2012 BUDGET PUBLIC HEARINGS AND ORDINANCES, FIRST READING:**

4A. Public hearing for ad valorem tax rate for tax year 2011/fiscal year 2012. (staff)

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

4C. Public hearing for fiscal year 2012 budget. (staff)

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

**5. CONSIDERATION AND POSSIBLE ACTION:**

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

5B. Interlocal agreement between the City of Kerrville and Kerr County regarding airport operation and supporting budget. (staff)

5C. Interlocal agreement between the City of Kerrville and Kerr County regarding inmate housing. (staff)

**6. INFORMATION AND DISCUSSION:**

6A. Budget and economic update. (staff)

**7. BOARD APPOINTMENTS:**

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

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City Secretary, City of Kerrville, Texas

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**Section 551.074:**

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

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

**12. ADJOURNMENT.**

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Brenda Craig  
City Secretary, City of Kerrville, Texas

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**Agenda Item:**  
**(Staff)**

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

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

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**SUBJECT:** Recognition of Officer Paul Gonzales – Ray Ramon Peace Officer of the Year Award

**FOR AGENDA OF:** September 13, 2011      **DATE SUBMITTED:** August 29, 2011

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

**EXHIBITS:**

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** 

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

**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE FINANCE DIRECTOR:**

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**SUMMARY STATEMENT**

Officer Paul Gonzales was awarded the Ray Ramon Peace Officer of the Year Award on August 24<sup>th</sup> during the banquet dinner of the Texas Citizen Police Academy Alumni Convention in Galveston. He was in competition with community services officers and Citizen Police Academy Alumni Associations liaison officers from across the state.

Paul was nominated by the Kerrville Citizen Police Academy Alumni Association for his continued work with their organization and his outstanding service as our Community Services Officer.

**RECOMMENDED ACTION**

I would like you to join me in extending our congratulations to Officer Paul Gonzales for his dedication and service to our community, to the citizen police academy and alumni association.

## **Agenda Item:**

(Staff)

3A. Approval of the minutes of the special city council budget workshop held August 22 and the regular city council meeting held August 23, 2011. (staff)

CITY COUNCIL MINUTES  
SPECIAL BUDGET MEETING

KERRVILLE, TEXAS  
AUGUST 22, 2011

On August 22, 2011, the Kerrville City Council budget workshop was called to order by Mayor Wampler at 9:00 a.m. in the city hall council chambers, 800 Junction Highway.

MEMBERS PRESENT:

David Wampler	Mayor
Gene Allen	Mayor Pro Tem
Carson Conklin	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
Mike Erwin	Director of Finance
Travis Cochrane	Director of Information Technology
Mindy Wendele	Director of Business Programs
Charlie Hastings	Director of Public Works
John Young	Police Chief
Robert Ojeda	Fire Chief
Kim Meisner	Director of General Operations

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

**REVIEW AND DISCUSS THE PROPOSED FISCAL YEAR 2012 BUDGET AS IT PERTAINS TO: GENERAL FUND, OTHER FUNDS, WATER AND SEWER FUND, CAPITAL IMPROVEMENT PLAN, AND DEBT:**

General Fund: Mr. Erwin noted the proposed FY12 budget anticipated revenue of \$20,452,406 and expenditures of \$20,052,133, and reviewed all funds. The following points were discussed:

- FY12 budget included 305 full time employees; down from 323 in FY10.
- \$0.5625 ad valorem tax rate, the same as FY11; would raise \$314,000 LESS than FY11, a decrease of 4.4%.
- Reviewed minor changes in the fee schedule to be considered for adoption at the next council meeting.
- Reviewed updated financial policies and proposed it be adopted annually as part of the budget; would be considered for adoption at the next council meeting.
- Proposed to increase the fund balance; current fund balance at 13.4%; Standard & Poor's recommended no less than 15%; staff recommended a goal of 15-25%, to achieve two-three month operating expenditures.

- Mr. Hastings proposed eliminating the television disposal program offered at the recycling center for an annual cost savings of about \$32,000.

Solid Waste Contract: Mr. Parton advised that Allied Waste/Republic Services proposed a 7% residential and 10% commercial rate increase effective October 1, 2011; however, the notification was received after the deadline for rate adjustment for FY12. Allied offered options to increasing the rate:

- Allied would provide 95 gallon carts for residential customers and trash collection would be limited to that one container once a week.
- Recycling would be limited to one bin every two weeks; also no rebate paid to the city for recyclable materials.
- Re-route residential collection routes from six days to five days per week.

Mr. Parton noted these changes could cause renegotiation of the existing contract; if so, he proposed that any new contract include a franchise fee for use of city streets. He noted that under the current 20 year agreement, due to expire in 2030, there was no limit on the amount of trash or recyclables for the weekly collection. The city had facilitated Allied in the construction and completion of the landfill transfer station.

Hotel Occupancy Tax: Mr. Erwin provided a distribution worksheet for allocation of HOT funds based on the average submitted by councilmembers; council action was scheduled for the August 23 meeting.

Council consensus was to appropriate the anticipated \$900,000 to the convention and visitors bureau to be disbursed as follows: \$741,250 for CVB annual operations; \$105,000 for the special events program; and \$53,750 for arts coalition advertising. Council also requested a workshop be held with CVB in the future.

City/County Interlocal Agreements: Mr. Parton noted the overall increase to the county for fire/EMS, library, animal control, and airport over FY11 was less than \$49,000; also, the city's cost for jail services paid to the county was expected to increase \$54,000; therefore, the total net difference to the county from FY11 to FY12 would be a decrease of \$5,000. In addition, the airport budget was still under discussion, with potential additional savings of \$55,000-65,000. Council noted the county was contemplating a tax rate increase for FY12.

Street Maintenance/Construction Plan: Mr. Hastings discussed expansion of the street construction program; the ultimate goal would be to rehabilitate 15 miles every year for a ten-year program. Mr. Parton discussed a possible grant that may be available for street maintenance. Council requested staff prepare a street rehabilitation analysis to be used in the grant application, and present it to the council for formal action.

Annual Street Maintenance Program with Kerr County: Mr. Hastings discussed the annual maintenance program with the county, whereby the city would purchase materiel and the county would provide equipment and a work crew, at no cost to the city, to chip seal three miles of city streets. The county had just completed two miles

of streets and was scheduled to chip seal Arcadia Loop on August 23; the city had already prepared the street and the materiel was on site. Mr. Parton stated he was notified that the county may be submitting an invoice to the city for construction work on city streets; also an item was on the county's agenda to discuss the city/county road program. Mr. Hastings noted the city did not have the equipment necessary to apply chip seal; however, a local contractor could be hired to complete the work if necessary.

Consensus of the council was to stay with the original agreement with the county, and if a bill was received from the county, staff should not pay it and should proceed to complete Arcadia Loop without county participation.

#### Capital Improvement Plan FY2012-2016:

Ms. Ondrias presented the five year CIP; discussion focused on the following:

- The proposed FY12 debt issuance would provide funding for water/sewer capital projects scheduled in FY12-14; the FY11 rate increase would be sufficient to cover that debt issuance. Implementation of CIP projects beyond FY14 would require additional debt issuance and corresponding rate increase. The current rate structure would provide \$1 million per year; by FY15 the city should be on a pay as you go basis under the current rate structure.
- Projects proposed by EIC for 4B funding through FY12 debt issuance totaled \$9 million: Louise Hays Park, \$2 million; river trail phases II & III, \$6 million; and extension of utilities on Harper Road, \$1 million.
- Need to address water/wastewater system capacity issues.
- General fund debt projects scheduled for FY12/13 were moved to FY13/14.
- The CIP had been prepared to match the timing of projects with funding availability.

Mr. Erwin compared the water/sewer fund current debt per capita and operating ratio with the proposed debt and ratio after the proposed FY12 and FY 14 debt issuances. Currently, 77-78% of income funded operating expenses; the proposed FY14 debt would increase system capacity and drop the operating ratio to 67%. The FY14 debt would require a \$0.30/gallon water, and \$0.701/1,000 gallon sewer increase.

Mr. Parton noted the estimates include an anticipated annual growth rate of 1%.

Council also discussed the following:

- Blackwell Fire Station on Harper Road, possible rehabilitation and viable use.
- The city had neglected infrastructure in the past and now council had to catch up on many needed projects.
- The city's infrastructure would not support additional economic development or manufacturing; system capacity issues must be addressed before economic development can occur.
- 56% of the city's budget was emergency services; council questioned police staffing and equipment. Chief Young noted staffing must remain sufficient to respond to emergency calls; much of the equipment purchased in FY11, as well as officer hiring and training, was funded by grants written by police staff.

The meeting recessed at 12:20 p.m.; Mr. Allen left the meeting at 12:20 p.m. the meeting reconvened at 1:03 p.m.

Council requested the following information be provided:

- National police standards for replacement of law enforcement vehicles.
- Place a chart on the website showing the amount spent on infrastructure in the 1990s and what had to be spent now to catch up.
- Analysis of the condition of Blackwell Fire Station and what it could be used for.
- Place the debt information charts on the website.
- Schedule a workshop with CVB.
- Schedule a public open house/town hall meeting after adoption of the budget.
- Prepare a public statement regarding the importance of maintaining a fund balance; place it on the city's website.
- A project analysis to quantify what a project will provide; particularly identify retail and commercial uses that could be accommodated by a project.

Mr. Parton noted the CIP had been designed to align capital projects with economic development needs, and to address utility infrastructure capacity issues. He recommended approval of the FY12 budget with the changes presented including amendments to the CIP.

The consensus of the council was to instruct staff to move forward to get funding agreements from EIC for the three capital projects (construction of river trail phases II and III, improvements in Louise Hays Park, and utility construction on Harper Road); proceed with issuing debt in FY12; incorporate the changes presented into the final budget; and prepare the final budget document for adoption at a future meeting.

**ADJOURNMENT.** The meeting adjourned at 1:25 p.m.

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

\_\_\_\_\_  
David Wampler, Mayor

ATTEST:

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

CITY COUNCIL MINUTES  
REGULAR MEETING

KERRVILLE, TEXAS  
AUGUST 23, 2011

On August 23, 2011, the Kerrville City Council meeting was called to order by Mayor Wampler at 6:00 p.m. in the city hall council chambers, 800 Junction Highway. The invocation was offered by Reverend Bill Blackburn of Partners in Ministry, followed by the Pledge of Allegiance led by Brooke Meisner, daughter of Kim Meisner.

MEMBERS PRESENT:

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

MEMBER ABSENT: None

EXECUTIVE STAFF PRESENT:

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

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

**1. VISITORS/CITIZENS FORUM:**

1A. Robert Naman stated he had not seen many kids using the new sidewalk on Glen Road, but a large Doberman uses the sidewalk in front of his house regularly.

**2. CONSENT AGENDA:**

Mayor Wampler removed item 2G from the consent agenda.

Mr. Conklin moved for approval of items 2A - 2F, and 2H; Ms. Keeble seconded the motion and it passed 5-0:

2A. Approval of the minutes of the special and regular Kerrville City Council meetings held August 9.

2B. Authorize execution of a contract with M & C Fonseca Construction Company for the construction of the Burleson Boulevard drainage project in an amount not to exceed \$370,000.00.

2C. Authorize execution of a contract with BKD, LLP to provide auditing services for fiscal years ending September 30, 2011, 2012, and 2013 with option for 2014 and 2015 in the amount of \$54,590 annually.

2D. Resolution No. 030-2011 amending the City of Kerrville fee schedule by revising fees charged for various services and uses provided or offered by the city.

2E. Resolution No. 031-2011 adopting amendments to the City of Kerrville investment policy regarding the investment of city funds in accordance with the public funds investment act.

2F. Approval of the investment policy of the City of Kerrville, Texas Economic Improvement Corporation.

2H. Authorize execution of the administrative services contract between the City of Kerrville and the City of Kerrville, Texas Economic Improvement Corporation for fiscal year 2012.

### **END OF CONSENT AGENDA**

2G. Authorize termination of the tax collection contract between the City of Kerrville and Kerr County.

Diane Bolin, county tax assessor-collector, noted the county had contracted tax collection services for the city for 26 years and the contract remained largely unchanged. Her office had an excellent relationship with city taxpayers and did all calculations, publication notices, and kept in line with the state comptroller's office and issued checks for overpayments when necessary. She requested the opportunity to review and renegotiate the delinquent tax contract with the city manager to adjust the collection rate to be more equitable.

Mr. Parton noted that under the current contract the city paid the county 1% of the amount collected, about \$90,000, for the service; the KISD tax office would provide the same service at .43%, a savings of about \$50,000 annually.

Council noted that if the contract was not cancelled by September 1, it would automatically renew for another year; cancelling the contract would give the city manager authority to renegotiate the contract.

Ms. Keeble moved to authorize the city manager to terminate the existing taxing collection contract with the county as presented; Mr. Gross seconded the motion and it passed 5-0.

### **3. PUBLIC HEARING:**

3A. Proposed ad valorem (property) tax rate for tax year 2011/fiscal year 2012.

Mr. Erwin noted the proposed FY12 ad valorem tax rate was \$.5625, the same as FY11, and 4.4% below the effective rate of \$.5888; .489 was for maintenance and operations, and .0735 was for debt service. The proposed tax rate of \$.5625 would generate \$314,000 less than FY11.

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

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

4A. Ordinance No. 2011-17 approving a negotiated resolution between the Atmos Cities Steering Committee (ACSC) and Atmos Energy Corp., Mid-Tex Division regarding the company's fourth annual rate review mechanism filing in all cities exercising original jurisdiction; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement and finding the rates to be set by the attached tariffs to be just and reasonable; requiring the company to reimburse cities' reasonable ratemaking expenses; repealing conflicting resolutions or ordinances; determining that this ordinance was passed in accordance with the requirements of the Texas Open Meetings Act; adopting a savings clause; declaring an effective date; and requiring delivery of this ordinance to the company and the committee's legal counsel. Mayor Wampler read the ordinance by title only.

Mr. Hayes stated that Atmos had applied for a \$15.7 million rate increase; ACSC negotiated the settlement to \$6.6 million; this ordinance would approve this negotiated settlement. He noted the cost to the city to be a member of ACSC last year was \$450; he did not have the cost yet for this year. If the city was not a member of ACSC, Kerrville would be on its own to negotiate the rate with Atmos. There had been no changes to the ordinance since first reading, and he recommended approval.

Mr. Allen moved for adoption of Ordinance No. 2011-17 on second and final reading; Mr. Conklin seconded the motion and it passed 5-0.

**5. CONSIDERATION AND POSSIBLE ACTION:**

5A. Disbursement of the hotel occupancy tax funds for fiscal year 2012.

Mr. Erwin presented the HOT distribution as previously instructed by council, as follows: \$741,250 for Convention and Visitors Bureau (CVB) annual operations; \$105,000 for the special events program; and \$53,750 for arts coalition advertising.

Council noted only \$53,750 for distribution to the nine arts groups that applied for HOT funds; rather than give each entity a small amount for advertising, council felt advertising could best be accomplished through a cooperative marketing plan managed by the arts coalition.

The following person spoke:

1. Andy Simon, representing the Museum of Western Art, questioned who was in the arts coalition and noted that each organization knew what was best for their organization; he would like to see the museum board have more control over tax dollars spent for the museum.

Mayor Wampler noted that the arts coalition was made up of representatives from the participating arts organizations, which included the Museum of Western Art.

2. Sudie Burditt, executive director of CVB, stated the arts coop had been working well the past few years; they would all work together and come up with a marketing plan and make it work as best they could.

3. Robert Naman, stated he had not seen audits of the city or CVB, but he questioned the extra \$105,000 and proposed establishing a blue ribbon committee to look at what other cities were doing, and to bring events to Kerrville.

Mayor Wampler noted that the purpose of the special events program would be to hire a person to solicit and manage events, e.g. music festivals, etc. HOT funds had to be used to promote Kerrville and council had chosen to budget \$105,000 out of HOT revenue to fund a special events program using funds that could have been allocated to arts programs. Regarding CVB's budget, the city received a budget report monthly and it was available to the public. The special events program would be funded for 2-3 years; if it was successful and increased HOT funds, it likely would be continued.

Council discussed having more clarity in the CVB monthly statements.

Mr. Gross moved to approve the disbursement as presented; Mr. Conklin seconded the motion and it passed 5-0.

5B. Update and possible direction concerning the use of gray water reuse systems.

Mr. Hastings provided information on the effect gray water reuse would have on the city wastewater system as requested by council. He reviewed pros and cons of gray water reuse and recommended, if council chose to proceed, that council direct staff to prepare an ordinance amending the plumbing code to allow the use of gray water reuse systems to capture approximately 10% of the gray water resource. An ordinance could be drafted to adopt TCEQ regulations already in place. He opined that the current staffing level would be sufficient to handle the number of requests anticipated.

Council did not anticipate that allowing gray water reuse systems would have a significant impact on individual properties; however, it would be one tool in water conservation. Council requested the issue be reviewed in one year.

The following person spoke:

1. Bruce Stracke noted TCEQ guidelines required that any gray water reuse be limited to subsurface use only.

Mr. Gross moved to instruct staff to proceed as recommended; Mr. Conklin seconded the motion and it passed 5-0.

5C. Submission of funding requests to the City of Kerrville, Texas Economic Improvement Corporation (EIC) for various capital projects.

Mr. Parton noted on August 10 the Council and EIC reviewed the five year capital improvement plan, and four priorities were proposed for 4B funding totaling \$8 million:

- Utility extension on the west side of Harper Highway
- River trail phases I, II, and III, six miles along the Guadalupe River
- Louise Hays Park improvements
- Downtown streetscape improvements.

Mr. Parton noted on August 15 EIC voted to direct staff to draft funding agreements and schedule public hearings for the September 19 meeting.

Council also discussed the following:

- Economic efforts are hampered by lack of utilities. Funding projects that would extend utilities into commercial areas would open areas for development and provide economic development and create jobs, for example, the Harper Highway utility extension project would allow development of 50-55 acres.
- The city's CIP anticipated a debt issuance of \$6.4-6.5 million in FY12 to fund major utility projects; with anticipated increase of \$.30/1,000 water and \$.50/1,000 gallons wastewater.
- For many years the city spent only \$130,000 annually on infrastructure; the city was now having to play catch up.
- After debt payments, 1/3 of the annual 4B revenue would still be available for other projects that may be presented.
- Quality of life projects such as the river trail will enhance the community and encourage growth and tourism. The river was underutilized; efforts should be made to make the river more attractive and allow more public access.

The following persons spoke:

1. Bill Blackburn noted 25 years ago he served on a committee looking at river front issues, and he served on the comprehensive plan committee in 2002; a river trail system had been discussed for many years, and it was time to move forward. He opined that it would provide economic impact and would benefit the community.
2. Barbara Burton spoke regarding concern for property rights issues. She owned one property on the north side of the river on Guadalupe Street; she was a proponent for the river trail being on the south side of the river on property she believed was owned by the state.
3. Joe Abrigo, expressed concern that about the river trail. Considering the current drought he asked if council had considered moving the dam. He was also concerned about private property issues.
4. Mike Springer said he was not against a river trail, but he was concerned about private property. He opined that one housing development on Guadalupe Street had changed the flow of the river and destroyed wildlife and native vegetation.

Ms. Keeble moved to direct staff to proceed with additional funding request to EIC; Mr. Gross seconded the motion and it passed 5-0.

5D. Consideration of interlocal agreements between the City of Kerrville and Kerr County regarding public safety, library, airport, and animal control operations.

Mr. Parton noted he received executed agreements for library, public safety, and animal control.

Mayor Wampler noted the city gave notice of termination of the airport agreement to the county in January, and effective October 1 there would be no operating agreement for the airport. He spoke with Commissioner Letz but there were procedural disagreements about who would attend meetings to negotiate the agreement and who would sign the contract; he opined that these were functions of the owners of the airport who make policy decisions, i.e. the city and county.

6. **INFORMATION AND DISCUSSION:**

6A. Budget and economic update.

Mr. Erwin noted local unemployment at 7%; monthly sales tax increased 7.5% and HOT increased 2.8% from August 2010 to August 2011.

Mayor Wampler noted the FY12 budget focused on sustainability and rebuilding the fund balance.

As of July 31, general fund revenue was at \$18 million; expenditures at \$15 million; water/sewer fund revenue at \$8 million; expenditures at \$7.1 million. Regarding fund balance, Standard & Poor's recommended a minimum of 15%; 25% was considered very strong. In April 2011 S&P noted the city's fund balance had declined and if that continued, they could lower the city's rate, thus affecting the city's ability to issue debt and the rate of any debt issuance. The Government Finance Officers Association recommended no less than two months of regular general fund operating revenues or regular general fund operating expenditures; i.e. 16.67%. The city's FY10 audit showed the city's general fund balance at 14%. The FY12 budget proposed a general fund balance of \$3 million, equal to 15%. The fund balance would give the city ability to fund emergencies; the fund balance was funded through reduction in expenditures, not through an increase in property taxes.

7. **BOARD APPOINTMENTS:**

7A. Building board of adjustment and appeals.

Mr. Conklin moved to appoint John Hewitt as the professional engineer; and to reappoint the following: Garrett Harmon, architect; Kenneth Bledsoe, contractor; Dwayne Downey, construction industry; and John Priour, alternate member; all with terms to expire August 31, 2013. Mr. Allen seconded the motion and it passed 5-0.

7B. Kerrville-Kerr County joint airport board. Deferred to executive session.

7C. Library advisory board.

Mr. Gross moved to appoint Kenneth Ellenwood with term to expire November 22, 2012; Mr. Allen seconded the motion and it passed 5-0.

8. **ITEMS FOR FUTURE AGENDA:** None.

9. **ANNOUNCEMENTS OF COMMUNITY INTEREST:** None.

10. **EXECUTIVE SESSION:**

Mr. Gross moved for the city council to go into executive closed session under Sections 551.071 (consultation with attorney), and 551.074 (personnel matters) of the Texas Government Code; the motion was seconded by Mr. Conklin and passed 5-0 to discuss the following items:

Section 551.071:

- Contemplated litigation involving a claim against C&C Groundwater Services regarding aquifer storage recovery well 3 (ASR3).

Section 551.071:

- Consult with attorney about pending or contemplated litigation or settlement of same relating to Janet Holmes vs. City of Kerrville, Texas, No. SA10CA0970 OG (U.S.D.C. Western District, San Antonio Division).

Section 551.074:

- Appointment/reappointment to the Kerrville-Kerr County Joint Airport Board.

At 7:51 p.m. the regular meeting recessed and council went into executive closed session at 8:02 p.m. At 8:58 p.m. the executive closed session recessed and council returned to open session at 8:59 p.m. Mayor Wampler announced that no action had been taken in executive session.

11. **ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION:** None.

10. Contemplated litigation involving a claim against C&C Groundwater Services regarding aquifer storage recovery well 3 (ASR3)

Mr. Allen moved to reject the letter from C&C Groundwater Services; Mr. Gross seconded the motion and it passed 5-0.

7B. Kerrville-Kerr County joint airport board.

Mr. Conklin moved to reappoint Stephen King and to appoint Ed Livermore with terms to expire on June 1, 2013; Ms. Keeble seconded the motion and it passed 5-0.

12. **ADJOURNMENT.** The meeting adjourned at 9:00 p.m.

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

\_\_\_\_\_  
David Wampler, Mayor

ATTEST:

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

**Agenda Item:**  
**(Staff)**

3B. A resolution authorizing the closure of a portion of State Highway 27 during certain hours for the Kerrville Triathlon Festival 2011. (staff)

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

---

**SUBJECT:** A resolution authorizing the closure of a portion of State Highway 27 during certain hours for the Kerrville Triathlon Festival 2011

**FOR AGENDA OF:** September 13, 2011

**DATE SUBMITTED:** August 26, 2011

**SUBMITTED BY:** Mindy N. Wendele  
Director of Business Programs

**CLEARANCES:** Todd Parton  
City Manager

**EXHIBITS:** Resolution & support documents

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:**

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

**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE FINANCE DIRECTOR:**

---

**SUMMARY STATEMENT**

Austin based High Five Events will be producing the first annual Kerrville Triathlon on October 1 & 2, 2011. City staff has been assisting owner Dan Carroll with logistics pertaining to street closures, lake access and course development.

To accommodate an event of this size, certain streets and state highways will need to be closed for certain hours of the above mentioned days. On Saturday, October 1 High Five Events will conduct a sprint course followed by the Sunday, October 2 event of the half distance triathlon. State highways slated for the course are SH27 from Earl Garrett to FM1350, SH173 and SH16.

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

**RECOMMENDED ACTION**

Approve resolution.

**CITY OF KERRVILLE, TEXAS**  
**RESOLUTION NO. \_\_\_\_-2011**

**A RESOLUTION AUTHORIZING THE CLOSURE OF A PORTION OF  
STATE HIGHWAY 27 DURING CERTAIN HOURS FOR THE KERRVILLE  
TRIATHLON FESTIVAL 2011**

**WHEREAS**, the City of Kerrville and High Five Events seeks to close a portion of State Highway 27 on Saturday, October 1, 2011, from 6:30 a.m. to 11:00 a.m., and Sunday, October 2, 2011 from 6:30 a.m. to 2:00 p.m. for the Kerrville Triathlon Festival; and

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

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

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

The City Council hereby expresses its support and approval for the *Temporary Closure of State Right-of-Way with the Texas Department of Transportation* to authorize the City's closure and use of State Highway 27 said agreement attached hereto as **Exhibit A**.

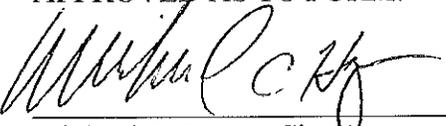
**PASSED AND APPROVED ON this the \_\_\_\_\_ day of \_\_\_\_\_,  
A.D., 2011.**

\_\_\_\_\_  
David Wampler, Mayor

ATTEST:

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

APPROVED AS TO FORM:

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

STATE OF TEXAS §

COUNTY OF TRAVIS §

**AGREEMENT FOR THE TEMPORARY CLOSURE  
OF STATE RIGHT OF WAY**

**THIS AGREEMENT** is made by and between the State of Texas, acting by and through the Texas Department of Transportation, hereinafter called the "State," and Dan Carroll, High Five Events, LLC (Promoting the Kerrville Triathlon), hereinafter called the "Requestor."

**WITNESSETH**

**WHEREAS**, the State owns and operates a system of highways for public use and benefit, including SH 27, SH 16, FM 1350, SH 173, in Kerr County; and

**WHEREAS**, the Requestor has requested the temporary closure of the outside EB lane of SH 27, the outside NB lane of SH 173, and the outside NB lane of SH 16 for the purposes of the Kerrville Triathlon, from 6:30 AM, October 1, 2011 to 11:00 AM, October 1, 2011 and from 6:30 AM, October 2, 2011 to 2:00 PM, October 2, 2011 as described in the attached "Exhibit A," hereinafter identified as the "Event;" and

**WHEREAS**, the Event will be outside any incorporated area; and

**WHEREAS**, the Requestor establishes that the Event will serve a public purpose; and

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

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

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

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

**AGREEMENT**

**Article 1. CONTRACT PERIOD**

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

**Article 2. EVENT DESCRIPTION**

The physical description of the limits of the Event, including county names and highway numbers, the number of lanes the highway has and the number of lanes to be used, the proposed schedule of start and stop times and dates at each location, a brief description of

the proposed activities involved, approximate number of people attending the Event, number and type of animals and equipment, planned physical modifications of any man-made or natural features in or adjacent to the right of way involved shall be attached hereto along with a location map and identified as "Exhibit B."

**Article 3. OPERATIONS OF THE EVENT**

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

- G. The Requestor hereby assures the State that there will be appropriate passage allowance for emergency vehicle travel and adequate access for abutting property owners during construction and closure of the highway facility. These allowances and accesses will be included in the Requestor's traffic control plan.
- H. The Requestor will avoid or minimize damage, and will, at its own expense, restore or repair damage occurring outside the State's right of way and restore or repair the State's right of way, including but not limited to roadway and drainage structures, overhead signs, signs, pavement markings, traffic signals, power poles, pavement, etc., to a condition equal to that existing before the closure, and, to the extent practicable, restore the natural and cultural environment in accordance with federal and state law, including landscape and historical features.

**Article 4. OWNERSHIP OF DOCUMENTS**

Upon completion or termination of this agreement, all documents prepared by the Requestor will remain the property of the Requestor. All data prepared under this agreement shall be made available to the State without restriction or limitation on their future use.

**Article 5. TERMINATION**

- A. This agreement may be terminated by any of the following conditions:
  - (1) By mutual written agreement and consent of both parties.
  - (2) By the State upon determination that use of the State's right of way is not feasible or is not in the best interest of the State and the traveling public.
  - (3) By either party, upon the failure of the other party to fulfill the obligation as set forth herein.
  - (4) By satisfactory completion of all services and obligations as set forth herein
- B. The termination of this agreement shall extinguish all rights, duties, obligations and liabilities of the State and Requestor under this agreement. If the potential termination of this agreement is due to the failure of the Requestor to fulfill its contractual obligations as set forth herein, the State will notify the Requestor that possible breach of contract has occurred. The Requestor must remedy the breach as outlined by the State within ten (10) days from receipt of the State's notification. In the event the Requestor does not remedy the breach to the satisfaction of the State, the Requestor shall be liable to the State for the costs of remedying the breach and any additional costs occasioned by the State.

**Article 6. DISPUTES**

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

**Article 7. RESPONSIBILITIES OF THE PARTIES**

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

**Article 8. INSURANCE**

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

**Article 9. AMENDMENTS**

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

**Article 10. COMPLIANCE WITH LAWS**

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

**Article 11. LEGAL CONSTRUCTION**

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

**Article 12. NOTICES**

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

<b>Requestor:</b>	<b>State:</b>
Dan Carroll High Five Events, LLC PO Box 442 Austin, TX 78767	Texas Department of Transportation Lowell D. Choate, P.E. Director, Maintenance Operations P. O. Box 15426 Austin, Texas 7861-5426

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

**Article 13. SOLE AGREEMENT**

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

Agreement No. \_\_\_\_\_

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

HIGH FIVE EVENTS \_\_\_\_\_ (Requestor Name)

By *Dan Carroll* \_\_\_\_\_ Date 7/20/11 \_\_\_\_\_  
Company Official

Typed or Printed Name and Title Dan Carroll \_\_\_\_\_  
High Five Events, LLC

**THE STATE OF TEXAS**

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

By \_\_\_\_\_ Date \_\_\_\_\_  
District Engineer



Form 2057 (8/2001)  
(GSD-EPC)  
Page 1 of 3

## Application for Use of State of Texas Right of Way for Temporary Signs for Special Events

Please print or type information

Date: 7/20/11

To the Texas Department of Transportation (TxDOT)  
c/o Area Engineer \_\_\_\_\_, Texas

***This form must be received at least 7 days prior to proposed use on the right of way.***

Applicant Dan Carroll, High Five Events LLC proposes to place a sign within the right of way of Highway SH 27, SH 16, FM 1350 Location SH 27: Between Guadalupe St. & FM 1350. FM 1350: Between SH 27 & FM 480. SH 173: Between Wharton Rd & SH 16. SH 16: Between SH 173 & SH 27 in Kerr County, Texas.

Check here for placement of multiple signs and submit the information requested on the Supplemental Sheet.

The temporary structure/vehicle will be placed 3 feet from the roadway and will have the following characteristics:

Mounting Height 3 feet Thickness 1/4 inch

Sign Dimensions (Height, Width, Length) 18 in x 24 in

Sign Material corrugated plastic

Sign Support Dimensions 2 in x 3 ft

Sign Support Material wood

Proposed Text PUBLIC NOTICE, Kerrville Triathlon, October 1-2, 7 AM to 2 PM, EXPECT DELAYS

Background Color white Legend Color black

The right of way will be used FROM DATE 10/1/11 7:00 AM TO DATE 10/2/11 2:00 PM

(maximum of 60 days) and the nature of the event is bicycle event

The sponsor of the event, if applicable, is \_\_\_\_\_

I will avoid or minimize impacts, and will, at my own expense, restore or repair damage resulting from this event.

I will be responsible for any damages or accidents that may occur during the term of this permit and save TxDOT and the State of Texas harmless.

I will abide by all applicable federal, state and local environmental laws, regulations, ordinances, and any conditions or restrictions required by TxDOT to protect natural and cultural resources of the right of way.

If this event causes hazardous traffic conditions to develop, I will cease the activity until corrective measures have been implemented.

It is expressly understood that TxDOT reserves the right to enforce the terms and conditions that it may deem necessary for the protection of the transportation facility and safety of the traveling public.

By signing below, I agree to the conditions/provisions included in this application. I am authorized to sign on the behalf of the organization holding the event.

Dan Carroll  
Applicant

By  
Race Director

Title Dan Carroll

Signature

High Five Events, LLC  
Mailing Address  
PO Box 442

Austin TX 78767

City, State Zip

(512) 917 - 3579

Area Code Telephone Number

## Approval

Dan Carroll, High Five Events, LLC  
Name of Applicant

Control Number

Section

Highway Number

County

Start Date of Agreement

Termination Date of Agreement

Signs must be constructed of heavy cardboard, plastic, fabric mesh or plywood, no thicker than ¼ inch.

An approved sign must not:

- exceed 16 square feet in placed on the roadside to inform the traveling public;
- exceed four square feet if used to guide participants in a bicycle or pedestrian event;
- extend more than three feet beyond the pavement edge if the sign is a banner; or
- imitate or resemble any official traffic sign, signal, or device.

An approved sign may not be placed:

- in a location where it may prevent the driver of a vehicle from having a clear and unobstructed view of official signs and approaching or merging traffic;
- on any highway appurtenances, including, but not limited to bridges, traffic control devices, official signs, sign supports, and light standards, poles, and delineators;
- on a tree or other natural feature;
- less than 18 ½ feet (clear) above the pavement if the sign is a banner placed over the pavement; or
- closer to the pavement edge than official highway signs, except for those signs used to guide participants in a bicycle or and pedestrian event.

TxDOT reserves the right to remove a sign if it becomes a hazard due to inclement weather, inadequate maintenance, accidental damage, or other hazardous cause. A sign approved for temporary use may not be erected more than 24 hours prior to the event. However, if the sign is a banner it may be installed no more than 30 days prior to the event.

It is understood that a sign must be removed within 24 hours of the completion of the event; except banners shall be removed within seven days of the completion of the event. A special event sign not removed within the allotted time is subject to removal by TxDOT and the applicant is liable for removal and disposal costs.

It is expressly understood that TxDOT does not purport, hereby, to grant any right, claim, title, or easement in or upon this highway. In the event the party fails to comply with any or all of the requirements as set forth herein, the approval may be revoked and TxDOT may take appropriate action.

Name of TxDOT Representative

Address

Title

Signature, TxDOT Representative

City, State Zip

Date of Final Approval

( )  
Area Code Telephone Number

### Supplemental Sheet Application for Permit Use of State of Texas Right of way for Temporary Signs

This temporary sign will be placed 3 feet from the edge of the roadway and will have the following characteristics:

Mounting Height 3 ft Thickness 1/4 inch

Sign Dimensions (Height, Width, Length) 18 in x 18 in

Sign Material corrugated plastic

Sign Support Dimensions 2 in x 3 ft

Sign Support Material wood

Proposed Text Directional Arrow

Background Color white Legend Color red

This temporary sign will be placed \_\_\_\_\_ feet from the edge of the roadway and will have the following characteristics:

Mounting Height \_\_\_\_\_ Thickness \_\_\_\_\_

Sign Dimensions (Height, Width, Length) \_\_\_\_\_

Sign Material \_\_\_\_\_

Sign Support Dimensions \_\_\_\_\_

Sign Support Material \_\_\_\_\_

Proposed Text \_\_\_\_\_

Background Color \_\_\_\_\_ Legend Color \_\_\_\_\_

This temporary sign will be placed \_\_\_\_\_ feet from the edge of the roadway and will have the following characteristics:

Mounting Height \_\_\_\_\_ Thickness \_\_\_\_\_

Sign Dimensions (Height, Width, Length) \_\_\_\_\_

Sign Material \_\_\_\_\_

Sign Support Dimensions \_\_\_\_\_

Sign Support Material \_\_\_\_\_

Proposed Text \_\_\_\_\_

Background Color \_\_\_\_\_ Legend Color \_\_\_\_\_

This temporary sign will be placed \_\_\_\_\_ feet from the edge of the roadway and will have the following characteristics:

Mounting Height \_\_\_\_\_ Thickness \_\_\_\_\_

Sign Dimensions (Height, Width, Length) \_\_\_\_\_

Sign Material \_\_\_\_\_

Sign Support Dimensions \_\_\_\_\_

Sign Support Material \_\_\_\_\_

Proposed Text \_\_\_\_\_

Background Color \_\_\_\_\_ Legend Color \_\_\_\_\_

This temporary sign will be placed \_\_\_\_\_ feet from the edge of the roadway and will have the following characteristics:

Mounting Height \_\_\_\_\_ Thickness \_\_\_\_\_

Sign Dimensions (Height, Width, Length) \_\_\_\_\_

Sign Material \_\_\_\_\_

Sign Support Dimensions \_\_\_\_\_

Sign Support Material \_\_\_\_\_

Proposed Text \_\_\_\_\_

Background Color \_\_\_\_\_ Legend Color \_\_\_\_\_



THE CITY OF

**KERRVILLE, TEXAS**

August 23, 2011

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

The City of Kerrville in conjunction with Hi-Five Events will be hosting the Kerrville Triathlon Festival October 1<sup>st</sup> and 2<sup>nd</sup>. Hi-Five Events is requesting lane closures on the following roadways on both October 1<sup>st</sup> and 2<sup>nd</sup>.

- State Highway 27
- State Highway 16
- State Highway 173
- State Loop 534

Lane closures would primarily consist of the outside lanes to allow flow of the bicycle portion of the triathlon. Please see the official traffic control plan for details. The hours of closure on October 1<sup>st</sup> will be from 4:00am until 10:30am. On October 2<sup>nd</sup> the hours of closure will be from 4:00am until 2:30pm. Lane closures will be established by a certified traffic control plan created by a High-Five Event's engineer. The route will be marked using approved signs and barriers by a traffic control company chosen by Hi-Five Events.

The Kerrville Police Department, in conjunction with Texas Department of Public Safety and the Kerr County Sheriff's Office will be supporting this event. Lane closures inside the city limits will be monitored by police personnel. All signal intersections affected by lane closures will be supplemented with traffic control officers to assist traffic flow.

Use of the official traffic control plan during this period of time will accommodate the safe separation of traffic flow from bicycles on the triathlon route.

Sincerely,

JOHN M. YOUNG JR.  
CHIEF OF POLICE

Curtis J. Thomason  
Lieutenant  
Field Operations Division



## About the Kerrville Triathlon Festival

The Kerrville Triathlon festival will consist of three triathlon events:

- Sprint Distance (500 meter Swim / 15 mile Bike / 3.1 mile Run)
- Quarter Distance (1000 meter Swim / 29 mile Bike / 6.4 mile Run)
- Half Distance (1.2 mile Swim / 56 mile Bike / 13.1 mile Run)

The events will be held on separate days, with the Sprint held on Saturday, **October 1<sup>st</sup>**, and the Half and Quarter on Sunday, **October 2<sup>nd</sup>**, 2011.

The Swim start & finish, as well as Transition Area #1 (the place where the bikes are parked during the swim), will be located on the grounds of HCSB on SH 16, just north of Guadalupe St.

Transition Area #2 (the place where the bikes are parked during the run), will be located on the fields of Notre Dame church, at the intersection of Water St. & Tivy St.

The Finish Line will be located in the Bank of America Parking lot, adjacent to "the star", at the intersection of Water St. and Earl Garret St. Shuttle busses will be required to transport participants and spectators between the start and finish areas.

The event website is [www.kerrvilletri.com](http://www.kerrvilletri.com).

## Organizer Contact Info

Dan Carroll  
High Five Events  
PO Box 442  
Austin, TX 78767  
[dan@highfiveevents.com](mailto:dan@highfiveevents.com)  
512-917-3579  
[www.highfiveevents.com](http://www.highfiveevents.com)

## Participation

Predicting the participation of a first year event is always difficult. A realistic expectation for the inaugural 2011 event would be 800 participants total, roughly 400 each day. It is expected that the majority (>75%) of the participants in the Quarter and Half distances would come from outside the immediate Kerrville area. Hopefully, around 35-50% of the participants in the Sprint distance would be local.

**Texas Department of Transportation (TxDOT)**

**CERTIFICATE OF INSURANCE - ATTACHMENT D**

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

Insured: USA Triathlon  
 Street/Mailing Address: 5825 Delmonico Drive  
 City/State/Zip: Colorado Springs, CO 80919  
 Phone Number: Area Code (719) 597-9090

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

Carrier Name:			Carrier Phone #:	
Address:			City, State, Zip:	
Type of Insurance	Policy Number	Effective Date	Expiration Date	Limits of Liability:
Workers' Compensation				Not Less Than: Statutory - Texas

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

Carrier Name: <u>AXIS Insurance Company</u>			Carrier Phone #: <u>866-259-5435</u>	
Address: <u>303 W Madlson, Ste 500</u>			City, State, Zip: <u>Chicago, IL 60606</u>	
Type of Insurance:	Policy Number:	Effective Date:	Expiration Date:	Limits of Liability:
Comprehensive General Liability Insurance	<u>AXGL03100260-10</u>	<u>12-1-2010</u>	<u>12-1-2011</u>	General Agg-\$2,000,000 Products-\$2,000,000 Personal & Ad-\$1,000,000 Each Occ-\$1,000,000 Damage to Premises-\$1,000,000 Medical Expense-EXCLUDED

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

Carrier Name:			Carrier Phone #:	
Address:			City, State, Zip:	
Type of Insurance:	Policy Number:	Effective Date:	Expiration Date:	Limits of Liability:
Comprehensive Automobile Liability Insurance OR Texas Business Automobile Policy Bodily Injury Property Damage				Not Less Than: \$ 250,000 each person \$ 500,000 each occurrence \$ 100,000 each occurrence

Umbrella Policy (If applicable):

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

Authorized Agent name address and zip code

American Specialty Insurance & Risk Services, Inc. 142 N Main St, Roanoke, IN 46783

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

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

Area Code (260) 672-8800  
 Authorized Agent's Phone Number

Anthony L. W. [Signature]  
 Authorized Agent Original Signature

5-17-11  
 Date

## **Agenda Item:** **(Staff)**

3C. Professional services agreement with Espey Consultants, Inc. in the amount of \$115,000.00 to perform engineering design and construction management services for the ASR #3B project. (staff)

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

**SUBJECT:** Authorization for the City Manager to execute a professional services agreement with Espey Consultants, Inc. in the amount of \$125,000.00 to perform engineering design & construction management services for the ASR#3B project.

**FOR AGENDA OF:** September 13, 2011      **DATE SUBMITTED:** September 6, 2011

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

**EXHIBITS:** Professional Services Agreement

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:**

Expenditure	Current Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$125,000.00	\$890,188.02	\$1,347,908.00	W01

**PAYMENT TO BE MADE TO:** Espey Consultants, Inc.  
4801 Southwest Parkway,  
Parkway 2, Suite 150  
Austin, Tx 78735

**REVIEWED BY THE FINANCE DIRECTOR:**

**SUMMARY STATEMENT**

In the 2008 CIP, City Council approved a project for the design and construction of the Aquifer Storage and Recovery Well No.3 (ASR#3) to be located off of Legion Drive and Loop 534. In December of 2008, Council awarded a design contract that was completed & bid in October 2009. The construction contract was then awarded in December of 2009. However, due to complications with ASR #3, the original design engineer's contract has been terminated and the well will most likely be abandoned for ASR purposes. Beginning with the approval of this agenda bill, a new well is being proposed on the same site and is being called ASR#3B.

Espey Consultants, Inc. (Espey) has been selected as the design engineer for ASR#3B and has submitted a proposal that includes professional engineering services for the well design, bidding, and construction phases. Espey's scope for design services includes both the phase 1 well design & the phase 2 pump & piping design.

**RECOMMENDED ACTION**

The Director of Engineering recommends that City Council authorize the City Manager to execute a professional services agreement with Espey Consultants, Inc. in the amount of \$125,000.00 to perform engineering design & construction management services for the ASR#3B project.

**Professional Engineering Services Agreement**

**Between**

**Espey Consultants, Inc. and City of Kerrville**

THIS AGREEMENT is made as of this \_\_\_\_\_ day of \_\_\_\_\_, 2011, between the CITY OF KERRVILLE, a Texas home rule municipality with principal offices at 800 Junction Highway, Kerrville, Texas, 78028-5069, hereinafter referred to as "CLIENT", and Espey Consultants, Inc. with its offices located at 4801 Southwest Parkway, Parkway 2, Suite 150, Austin, TX 78735, hereinafter referred to as "ENGINEER", for the performance of professional engineering services in consideration of the following terms, conditions, and agreements:

**PART I. SERVICES**

ENGINEER shall perform all work described in the proposal attached hereto as **Exhibit A**.

- A. ENGINEER shall be responsible for the professional quality, technical accuracy, timely completion, and the coordination of all designs, drawings, specifications, reports, and other services furnished by ENGINEER under this Agreement, ENGINEER shall, without additional compensation, correct or revise any errors, omissions or other deficiencies in his designs, drawings, specifications, reports and others services.
- B. ENGINEER hereby agrees to comply with all Federal, State, and Local laws and ordinances applicable to the work or services under this Agreement.
- C. ENGINEER shall hold periodic conferences with CLIENT or CLIENT's representatives to the end that the project as developed shall have the full benefit of CLIENT's experience and knowledge and be consistent with CLIENT's objectives for this project.
- D. ENGINEER shall periodically report project status to CLIENT as is appropriate to keep CLIENT informed regarding project progress.
- E. ENGINEER shall perform all services under this Agreement in a manner which is consistent with generally accepted standards of professional engineering practice.

**PART II. CLIENT'S RESPONSIBILITIES**

- A. CLIENT shall provide all criteria and full information as to CLIENT's requirements for the Project; designate a person to act with authority on CLIENT's behalf in respect of all aspects of the Project; examine and respond promptly to ENGINEER's submissions; and give prompt written notice to ENGINEER whenever CLIENT observes or otherwise becomes aware of any defect in ENGINEER's submissions.

- B. CLIENT shall also do the following and pay all costs incident thereto:

Furnish to ENGINEER, upon ENGINEER's notification that data is required, core borings, probings and subsurface explorations, hydrographic surveys, laboratory tests and inspections of samples, materials and equipment and similar data; appropriate professional interpretations of all of the foregoing; environmental assessment and impact statements; geologic assessments, environmental impact studies, and endangered species studies; and any other information previously made available to CLIENT, which may be required by ENGINEER; all of which ENGINEER may rely upon as accurate in performing ENGINEER's services provided, however, ENGINEER shall not be entitled to rely on any inaccuracy or incompleteness of information or services provided by CLIENT or at CLIENT's direction if a professional engineer using generally accepted engineering practices and procedures would have discovered such inaccuracy or incompleteness without reviewing any other data other than the document or information provided.

Guarantee access to and make all provisions for ENGINEER to enter upon public and private property.

Provide such legal, accounting, independent cost estimating and insurance counseling services as may be required for the Project, any auditing service required in respect of contractor(s)' applications for payment, and any inspection services to determine if contractor(s) are performing the work legally.

- C. CLIENT shall pay all non-labor costs incident to obtaining bids or proposals from contractor(s).

### PART III. WORK ORDER AMENDMENTS

- A. CLIENT may at any time, by written Work Order, make changes relating to services to be performed. If such changes cause an increase or decrease in ENGINEER's cost of, or time required for, performance of any services, an agreeable equitable adjustment shall be made and reflected in a properly executed Work Order. ENGINEER must assert any claim for adjustment under this clause in writing within thirty (30) calendar days from the date of receipt by ENGINEER of the notification of change, unless CLIENT grants a further period of time before the date of final payment under this Agreement.
- B. No services for which additional compensation will be charged by ENGINEER shall be furnished without a properly executed Work Order signed by CLIENT.
- C. In the event that there are modifications and/or additions to regulatory requirements relating to the services to be performed under this Agreement after the date of execution of this Agreement, the increased or decreased cost of performance of the services provided in this Agreement and subsequent Work Orders shall be reflected in an appropriate Work Order.

PART IV. COMPENSATION

CLIENT agrees to pay ENGINEER for Professional Services in accordance with the descriptions, definitions, terms and conditions as set forth in **Exhibit A**.

PART V. PAYMENTS

ENGINEER will invoice CLIENT in accordance with the terms and conditions as set forth in **Exhibit A**. CLIENT agrees to promptly pay ENGINEER at its office located at 4801 Southwest Parkway, Parkway 2, Suite 150, Austin, TX 78735, the full amount of each such invoice upon receipt. In no event shall ENGINEER's failure to invoice constitute a default under the terms and conditions of this Agreement.

PART VI. INSURANCE

ENGINEER shall procure and maintain the following types and limits of insurance for the duration of this Agreement:

<u>Type of Insurance</u>	<u>Minimum Limits of Liability</u>
Workers' Compensation	Statutory
Employer's Liability	\$250,000.00
Commercial General Liability-Personal Injury/Property Damage	\$1,000,000.00 combined single limit per occurrence
Automobile Liability	\$1,000,000.00 combined single limit per occurrence – Hired car, owned and non-owned autos
Professional Liability	\$1,000,000 per claim

The commercial general liability insurance required above will include contractual liability coverage. The commercial general liability and automobile liability policies shall be endorsed to name the CLIENT as an additional insured, and all policies shall be endorsed to show a waiver of subrogation in favor of CLIENT. ENGINEER shall direct that a certificate of insurance be delivered to CLIENT before any services are performed pursuant to this Agreement. Such certification of insurance shall provide for not less than thirty (30) days written notice to CLIENT prior to cancellation or material modification by endorsement of any insurance referenced therein and shall indicate that all required coverage and endorsements are in effect.

PART VII. TERMINATION

A. CONDITIONS OF TERMINATION

This Agreement and/or Work Order(s) may be terminated without cause at any time prior to completion of ENGINEER's services, either by CLIENT or by ENGINEER, upon written notice to the other at the address of record. Upon receipt of written notice from CLIENT to discontinue work, ENGINEER shall

discontinue work under this Agreement immediately. In the event CLIENT terminates the Agreement based on CLIENT's reasonable opinion ENGINEER has failed or refused to prosecute the work efficiently, promptly, or with diligence, ENGINEER shall have fifteen (15) business days, from the receipt of written notification by CLIENT, to cure such failure to perform in accordance with the terms of the Agreement.

B. ACTIONS ON TERMINATION

Upon any termination, ENGINEER shall: (1) promptly discontinue all Services affected (unless a termination notice from CLIENT directs otherwise); and (2) upon full payment for services, deliver or otherwise make available to CLIENT all documents, data, drawings, specifications, reports, estimates, summaries, and such other information and materials as may have been accumulated by ENGINEER in performing this Agreement, whether completed or in process.

C. COMPENSATION PAYABLE ON TERMINATION

On termination, by either CLIENT or ENGINEER, CLIENT shall pay ENGINEER with respect to all contracted services rendered and expenses incurred before termination an amount fixed by applying the ENGINEER's Standard hourly rates, in force at the time of termination, to all services performed to date, in addition to termination settlement costs ENGINEER reasonably incurs relating to commitments which had become firm before the termination; however, in no case shall CLIENT be required to pay ENGINEER more than the amount set forth in this Agreement.

PART VIII. MISCELLANEOUS

A. REUSE OF DOCUMENTS

All documents, including Drawings and Specifications prepared or furnished by ENGINEER pursuant to this Agreement, are instruments of service with respect to the PROJECT, are the property of both CLIENT and ENGINEER, and may be used by both CLIENT and ENGINEER, as they deem necessary in their reasonable discretion. Either CLIENT or ENGINEER may retain copies, reproduce copies, and disseminate copies of said Instruments of Service as are reasonably necessary for the construction and on-going maintenance of the Project. Not later than 90 days after substantial completion, ENGINEER shall deliver to CLIENT one (1) set of Record Drawings in CADD format incorporating all Addenda and Change Orders and consisting of one set of compact disks; provided, however, ENGINEER reserves the right to remove all indicia of ownership and/or involvement from the disc/magnetic tape provided to CLIENT. The original CADD data will be retained by ENGINEER. CLIENT hereby releases and holds harmless ENGINEER from any claims, losses, or liability resulting from CLIENT's use of the Instruments of Service in a manner not authorized on this project by this Agreement. Any reuse without written verification or adaptation by ENGINEER, for the specific purposes intended will

be at CLIENT's sole risk and without liability or legal exposure to ENGINEER. Any such verification or adaptation by ENGINEER will entitle ENGINEER to further compensation at rates to be agreed upon by CLIENT and ENGINEER.

B. OPINION OF COST

Since ENGINEER has no control over the cost of labor, materials, equipment or services furnished by others, or over the contractor(s)' method of determining prices, or over competitive bidding or market conditions, ENGINEER's opinions of probable Project Cost and Construction Cost are to be made on the basis of ENGINEER's experience and qualifications and represent ENGINEER's best judgment as an experienced and qualified professional engineer, familiar with the construction industry; but ENGINEER cannot and does not warrant or guarantee ENGINEER's opinions of cost as an "actual" cost and if an "actual" "Construction Cost" is required, and/or desired, then, construction bids should be obtained by CLIENT from appropriate sources. Opinions of cost may be supplied to applicable municipalities for bonding purposes and no representations, warranties, or guarantees are rendered hereby to any other person or entity. Opinions of cost for presentation to any mortgagee or lending institution will only be prepared by ENGINEER at CLIENT's specific request. Preparation of such may involve substantial additional cost to CLIENT and ENGINEER cannot and does not warrant or guarantee such opinion of cost as an "Actual" cost.

C. TRENCH SAFETY DESIGN

ENGINEER shall not perform any service for design of Trench Safety Systems and/or Trench Excavation Safety during construction and said services are specifically excluded from the provision of this Agreement.

D. LATE PAYMENT

If CLIENT fails to make any payment due ENGINEER for services and expenses in accordance with Part VI herein, within thirty (30) calendar days from the date of ENGINEER's invoice, thereafter the amounts due ENGINEER shall include a charge at the rate of 1.50 % per month, calculated from the date of the invoice, and in addition, ENGINEER may, after giving ten (10) business days written notice to CLIENT, suspend services under this Agreement until ENGINEER has been paid in full all amounts due for services and expenses.

E. ATTORNEY'S FEES

In the event ENGINEER's invoices for services are given to an attorney for collection, or if suit is brought for collection, or if they are collected through probate, bankruptcy, or other judicial proceeding, then CLIENT shall pay ENGINEER all costs of collection, including the maximum attorney's fees allowed by Law and court costs, in addition to other amounts due.

F. PERIOD OF SERVICE

ENGINEER shall diligently pursue completion of services in accordance with the timely completion specified in **Exhibit A** and shall promptly inform CLIENT of any anticipated delay. ENGINEER shall not be liable or responsible for any delays caused by circumstances beyond ENGINEER's control.

G. CONSTRUCTION OBSERVATION

During the Construction Phase, ENGINEER shall make visits to the site at intervals appropriate to the various stages of construction to observe as an experienced and qualified design professional the progress and quality of the executed work of contractor(s) and to determine in general if such work is proceeding in accordance with ENGINEER's design, drawings, specifications, and other instructions.

ENGINEER shall not be responsible for the means, methods, techniques, sequences or procedures of construction selected by contractor(s) or the safety precautions and programs incident to the work of contractor(s).

H. SALES AND USE TAXES

Not applicable. CLIENT is a tax-exempt entity. CLIENT will provide ENGINEER with a current copy of CLIENT's tax-exempt certificate.

I. SUCCESSORS AND ASSIGNS

CLIENT and ENGINEER each binds himself, and his partners, successors, executors, administrators, and assigns to partners, successors, executors, administrators, in respect to all covenants of this Agreement. Neither CLIENT nor ENGINEER shall assign, sublet, or transfer their interest in this Agreement without written consent of the other. Nothing herein shall be construed as giving any rights or benefits hereunder to anyone other than CLIENT or ENGINEER.

J. CONTROLLING LAW; VENUE

This Agreement is to be governed by and construed in accordance with the laws of the State of Texas. Venue for any disputes between CLIENT and ENGINEER arising from or related to this Agreement shall be in Kerr County, Texas.

K. SEVERABILITY AND WAIVER

In the event any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions shall continue to be valid and binding upon the parties. One or more waivers by either party of any provision, term, condition or covenant shall not be construed as a waiver of a subsequent breach of the same by the other party.

L. EXTENT OF AGREEMENT

This Agreement, including **Exhibit A**, and any and all amendments, modifications, and supplements duly executed by the parties in accordance with this Agreement, govern and supersede any and all inconsistent or contradictory terms, prior oral or written representations or understandings, conditions or provisions set forth in any purchase orders, requisition, request for proposal, authorization of services, notice to proceed or other form or document issued by CLIENT with respect to the project or ENGINEER's services.

M. AMENDMENTS

The parties agree that no change or modification to this Agreement, or any attachments hereto, shall have any force or effect unless the change is reduced to writing, dated, and made a part of this Agreement. The execution of the change shall be authorized and signed in the same manner as this Agreement. No one has authority to make variations in, or additions to the terms of this Agreement on behalf of ENGINEER other than the undersigned Principal, and then only in writing.

Executed on this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

CITY OF KERRVILLE

ESPEY CONSULTANTS, INC.

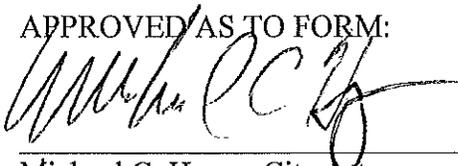
BY: \_\_\_\_\_  
Jeffrey Todd Parton,  
City Manager

BY: \_\_\_\_\_  
David Harkins, PhD., P.E.,  
Vice President

ATTEST:

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

APPROVED AS TO FORM:

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



# Espey Consultants, Inc.

Environmental & Engineering Services

Austin ♦ Dallas ♦ Houston ♦ Laredo ♦ New Braunfels ♦ Amarillo

September 8, 2011

Ms. Kristine A. Ondrias  
Assistant City Manager  
City of Kerrville  
800 Junction Hwy  
Kerrville, Tx 78028

Re: Proposal for Design, Drilling Oversight, and Construction Management for ASR #3B

Dear Ms. Ondrias:

Thank you for the opportunity to submit this proposal to provide design, drilling oversight, and construction management services for the new ASR #3B. The attached Exhibit A provides detailed scope of services associated with each task to complete the project.

The following estimated costs are associated with each task. Drilling and construction services will be provided by other contractors selected by the City of Kerrville (City).

- Cost of designing well, plans and specs, assisting in bidding and selection - \$20,000.
- Cost of construction management, geologic logging, and pump testing of well - \$35,000.
- Cost of designing, preparing specs and plans, assisting in bidding for pipeline, chlorination unit, electrical, connecting to existing distribution system - \$35,000.
- Construction management of pipeline, chlorination and connection to distribution system - \$20,000.
- Cost of sub-consultants (Survey - \$2,000, Geotechnical - \$2,000, Electrical - \$6,000, Local Engineering Services - \$5,000),

Total Cost – \$125,000

The estimated time to construct, complete, and test the new well is 60 days (completion of the site will begin after the well is complete and accepted by the City). Espey Consultants will utilize the expertise of LBG-Guyton Associates for geologic logging and some construction management during drilling.

Espey Consultants, Inc. has the necessary skills and staff to complete this project for the City. Thank you for the opportunity to continue our professional relationship with the City.

Sincerely,

David K. Harkins, Ph.D., P.E.  
Vice President

# **Exhibit A: Scope of Services**

---

## *ASR #3B Well Services*

### **Purpose and Project Description**

The purpose of this document is to communicate the scope of professional engineering services required for a new Aquifer Storage and Recovery (ASR) Well adjacent to ASR-3, and surface facilities of the proposed ASR #3B well for the City of Kerrville (the City). The project will be divided into two phases: Phase 1 is services performed for drilling of the new well, Phase 2 is services to connect the new well to the existing water distribution system. The design elements for the project include:

1. Design of site improvements for an area 100 ft square centered on ASR #3B including well slab, pump pedestal, fencing, gates, and drainage improvements.
2. Design of approximately 400± feet of all-weather access road.
3. Design of approximately 400± feet of pipeline connecting ASR #3B to the existing distribution system.
4. Design of the chlorination system for ASR #3B.
5. Design of the electrical system for ASR #3B.
6. Design of the wellhead piping and valve systems.
7. Design of the well pump and motor.
8. Design of a single, 2-room building, approximately 8 feet x 14 feet x 18 feet in dimension to hold the electrical equipment and disinfection equipment.
9. A process and instrumentation diagram and equipment list for the SCADA system required for ASR #3B.

### **Project Team**

The tasks described in this scope of Services will be completed by the Espey Consultants project team which will consist of Espey Consultants, Inc. and LBG-Guyton Associates. Geotechnical work and surveying tasks are planned to be performed by Rock Engineering and Testing, Inc. and Voelkel Land Surveying, PLLC respectively.

## **Project Tasks**

### **Phase 1. Well Design and Construction for ASR #3B well**

**Task 1.** Prepare technical specifications and contract documents for new well to be reviewed by the City of Kerrville staff and then submitted to TCEQ for interim approval.

**Task 2.** Prepare bid documents for drilling contractor selection for water wells and well pumps, assist in bidding and selection process.

**Task 3.** Attend pre-bid and bid meetings.

**Task 4.** Review bids and qualifications of bidders and prepare recommendation.

**Task 5.** Provide technical oversight and inspection of all phases of drilling, well construction, and testing, including drilling inspection, geologic formation description, evaluation of geophysical logs, evaluation of sieve analyses, design of screen and filter pack based on field conditions, well construction inspection, pumping test design, recording and analyzing pumping test data, public drinking water sample collection and analysis, and final well completion and pump installation; Provide on-site construction observation and inspection services to adequately complete the above referenced tasks.

**Task 6.** Submit completion data to TCEQ.

### **Phase 2. Design and Construction of Connection of ASR #3B Well to Existing Water System**

#### **Task 1. Preliminary Design**

1. The project team will perform the following subtasks during the preliminary design phase: Prepare a draft preliminary design memo describing basic design elements of the project. The memo will be delivered to the City, attention Dieter Werner via email in PDF format.
2. Receive redline comments from the City.
3. Prepare a response to all comments and deliver to the City for review.
4. Attend a scheduled conference call to discuss and resolve all addressed comments.
5. Prepare a final preliminary design memo and deliver the memo to the City via email in PDF format.
6. After finalizing the preliminary design, the Espey Consultants team (Rock Engineering and Testing, Inc.) will perform geotechnical analysis to support foundation design.
7. After finalizing the preliminary design, the Espey Consultants team (Voelkel Land Surveying, PLLC) will perform land surveying to support site layout and design.

## **Task 2. Final Design**

The project team will perform the following subtasks during the final design phase:

1. Prepare a draft (90%) specifications and drawings. The specifications and drawings will be delivered to the City via email in PDF format. Two hard copies will also be delivered to the City.
2. Receive of redline comments from the City.
3. Prepare a response to all comments.
4. Attend a scheduled conference call to discuss and resolve all addressed comments.
5. Prepare a final (100%) specifications and drawings. The specifications and drawings will be delivered to the City via email in PDF format. Six hard copies will also be delivered to the City.
6. Final specifications and drawing will also be delivered to TCEQ for public water supply plan review and permitting purposes.

## **Task 3. Bidding Services**

The project team will perform the following subtasks during the bidding services phase:

1. Attend pre-bid meeting and prepare pre-bid meeting minutes
2. Respond to requests for information
3. Prepare addenda to the contract as needed.
4. Review bids and qualifications of successful bidder and prepare recommendation

## **Task 4. Construction Phase Services**

As part of the Construction Phase Services Task, the Espey Consultants team will complete the following subtasks:

1. Attend pre-construction meeting and prepare pre-construction meeting minutes.
2. Provide construction oversight and administration.
  - 2.1. Provide up to 40 hours of on-site construction observation and inspection services.
  - 2.2. Provide reviews of technical submittals.
  - 2.3. Evaluate and prepare change orders to the contract after receiving approval for the change by the City.
  - 2.4. Provide analysis of technical data collected during acceptance testing.
3. Submit construction data to TCEQ Public Water Supply Division for approval.
4. Provide closeout documents and record drawings at the end of construction.

## Assumptions

1. The City will provide the expected distribution system pressure at the tie-in point.
2. Programming of control systems will be done by Bloc Design Build under contract to the General Construction Contractor. Espey Consultants will coordinate with Bloc Design Build when developing the equipment list to be provided in the plans and specifications.
3. The Espey Consultants team will secure TCEQ permits which shall include public water supply plan and UIC Class V injection well permits. Any additional non-standard permitting tasks will be performed by others. All required non-standard permitting fees will be paid by the City (no non-standard tasks are expected).
4. The City will be responsible for advertisement of the project for bid and maintaining the bidder's list.
5. Traffic control and storm water pollution prevention plans will be the responsibility of the Contractor performing the construction activities.
6. Laboratory analysis of water quality samples will be paid for by the City.

**Agenda Item:**  
**(Staff)**

3D. A resolution adopting a list of qualified brokers that are authorized to engage in investment transactions with the city. (staff)



**CITY OF KERRVILLE, TEXAS  
RESOLUTION NO. \_\_\_\_-2011**

**A RESOLUTION ADOPTING A LIST OF QUALIFIED  
BROKERS THAT ARE AUTHORIZED TO ENGAGE IN  
INVESTMENT TRANSACTIONS WITH THE CITY**

**WHEREAS**, Section 2256.025 of the Public Funds Investment Act (Chapter 2256, Texas Government Code and hereinafter referred to as the "Act") directs the governing body of an investing entity to, at least annually, review, revise and adopt a list of qualified brokers that are authorized to engage in investment activities with the entity;

**WHEREAS**, the City Council finds it to be in the public interest to review, revise, and adopt such a list of qualified brokers in accordance with the Act;

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

**SECTION ONE.** The City Council of the City of Kerrville, Texas, adopts the Qualified Brokers List, attached as **Exhibit A** to this Resolution.

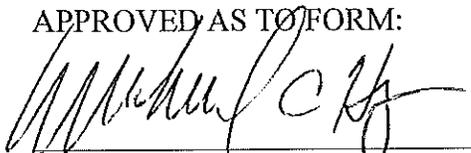
**SECTION TWO.** This Resolution shall be effective immediately upon adoption.

**SECTION THREE.** Resolution No. 122-2008 which previously adopted a list of qualified brokers is repealed.

**PASSED AND APPROVED ON this the \_\_\_\_ day of \_\_\_\_\_ A.D., 2011.**

\_\_\_\_\_  
David Wampler, Mayor

APPROVED AS TO FORM:

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

ATTEST:

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

Exhibit A

Qualified Brokers List

Bank of America.Merrill Lynch  
Barclays  
Cantella  
Morgan Stanley  
Duncan Williams  
Mizuho Securities  
Stifle Nicolaus  
Vining Sparks

**Agenda Item:**  
**(Staff)**

3E. Extension of the existing contract with Maxey Energy for bulk fuel and card services through September 30, 2012. (staff)

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

**SUBJECT:** Extension of "Bulk Fuel & Card Services" Service

**FOR AGENDA OF:** September 13, 2011

**DATE SUBMITTED:** August 29, 2011

**SUBMITTED BY:** Mike Erwin,   
Director of Finance

**CLEARANCES:** Todd Parton,  
City Manager

**EXHIBITS:** Letter from Maxey Energy

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** 

<b>Expenditure Required:</b>	<b>Current Balance in Account:</b>	<b>Amount Budgeted:</b>	<b>Account Number:</b>
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Various Accounts

**APPROVED FOR SUBMITTAL BY DIRECTOR OF FINANCE:**

**SUMMARY STATEMENT**

On June 24, 2008, the city awarded a contract to Maxey Energy for fuel & card service. Council approved a one year contract with four one year extensions. This service will be spread to the various divisions. The term of the supply contract will be October 1, 2011, through September 30, 2012.

The finance department recommends the contract be renewed for an additional year. A letter from Maxey Energy is attached, which states the terms of the contract will remain the same.

**RECOMMENDED ACTION**

Staff recommends that the City Council authorize the City Manager to extend the contract for the additional term.

# Maxey Energy Company

206 McFarland Street  
Kerrville, Texas 78028  
830-257-6944 Fax 830-257-6955

August 1, 2011

Mr. Mike Erwin  
Finance Director  
City of Kerrville  
800 Junction Hwy  
Kerrville, TX 78028

Dear Mr. Erwin:

Maxey Energy Company proposes to extend our current fuel supply contract with the City of Kerrville for an additional year. The terms of the contract will remain unchanged.

We look forward to another year of doing business with the City of Kerrville.

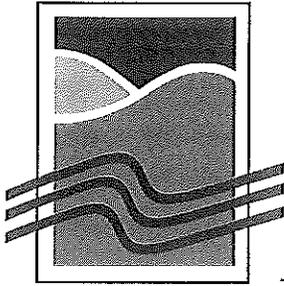
Sincerely,



Daryl Herring  
Operations Manager  
Maxey Energy Company

Accepted:

Mike Erwin  
Finance Director  
City of Kerrville



**CITY OF KERRVILLE**  
**OFFICE OF THE CITY MANAGER**

800 Junction Highway  
Kerrville, Texas 78028  
830-257-8000 / [www.kerrvilletx.gov](http://www.kerrvilletx.gov)

---

September 13, 2011

Daryl Herring  
Operations Manager  
Maxey Energy Company  
206 McFarland Street  
Kerrville, Texas 78028

Dear Mr. Herring:

The Kerrville City Council extended the agreement for the bulk fuel card service which is scheduled to expire September 30, 2011. The agreement, which authorized such an extension, will now extend until September 30, 2012.

Thank you for agreeing to extend the contract for an additional one year under the same provisions as the original contract.

Should you have any questions, please let me know.

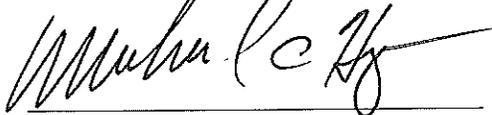
Sincerely,

Todd Parton  
City Manager

ATTEST:

\_\_\_\_\_  
Brenda G. Craig

APPROVED AS TO FORM:



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

## **Agenda Item:** **(Staff)**

3F. Approval of the City of Kerrville, Texas Economic Improvement Corporation (EIC) purchase and sale agreement with the Kerr Economic Development Foundation (KEDF) for the purchase of approximately 86.71 acres located at 300 Peterson Farm Road. (staff)

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

**SUBJECT:** Approval of the Purchase and Sale Agreement of the Kerr Economic Development Foundation ("KEDF") to the Economic Improvement Corporation (EIC) for the purchase of approximately 86.71 acres located at 300 Peterson Farm Road,

**FOR AGENDA OF:** September 13, 2011

**DATE SUBMITTED:** August 29, 2011

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

**EXHIBITS:** Purchase and Sale Agreement

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:**

<b>Expenditure</b>	<b>Current Fund</b>	<b>Amount</b>	<b>Account</b>
<b>Required:</b>	<b>Balance:</b>	<b>Budgeted:</b>	<b>Number:</b>
\$1,192,956.	\$1,300,000.	\$	40-800-501

**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE FINANCE DIRECTOR:**

**SUMMARY STATEMENT**

In February 2008 the Kerr Economic Development Foundation purchased 86 +/- acres on Peterson Farm Road with the intent to secure the USDA Knipling-Bushland Laboratory expansion project. The Kerrville Economic Improvement Corporation entered into an agreement with the KEDF to help fund the purchase. The agreement called for a cap of \$525,000 for the project providing interest payments to the local lending institutions for 5 years and principal payments for 3 years.

Discussions in the fall of 2010 between the EIC and the KEDF produced a request of the KEDF Board to the EIC Board to purchase the 86 acres. The formal request was made to the EIC Board during their December 20, 2010 meeting. The Board directed staff to draft an agreement which was presented at the January 17, 2011 EIC meeting.

Following the annual trip to Washington, DC by community leaders, the likelihood of the laboratory expansion project on this site was not realistic in the near future. The EIC Board approved the Purchase and Sale Agreement at the August 15, 2011 meeting indicating a desire to own the property to begin marketing for business development.

**RECOMMENDED ACTION**

Approve purchase and sales agreement.

## PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement ("Agreement") to buy and sell real property is entered between Seller and Buyer as identified below and is effective on the date ("Effective Date") of the last of the signatures by Seller and Buyer as parties to this Agreement and approval, where necessary, of the parties' respective governing bodies.

Seller: Kerr Economic Development Foundation, Inc., a Texas non-profit corporation  
1700 Sidney Baker, Suite 200  
Kerrville, Texas 78028  
Attn: Steve Huser, Chairman  
Phone: (830) 896-1157  
Fax: (830) 896-1166  
E-Mail: \_\_\_\_\_

Seller's Broker: None

Seller's Attorney: Craig Leslie  
829 - B Main Street  
Kerrville, TX 78028  
Phone: (830) 896-2350  
Fax: (830) 896-3535  
E-Mail: [craig@leslielaw.biz](mailto:craig@leslielaw.biz)

Buyer: Kerrville Economic Improvement Corporation, a Texas non-profit corporation  
800 Junction Highway  
Kerrville, Texas 78028  
Attn: Chairman  
Phone: (830) 257-8000  
Fax: (830) 792-3850

Buyer's Broker: None

Buyer's Attorney: Michael C. Hayes  
800 Junction Highway  
Kerrville, Texas 78028  
Phone: (830) 258-1115  
Fax: (830) 792-3850  
E-Mail: [mike.hayes@kerrvilletx.gov](mailto:mike.hayes@kerrvilletx.gov)

Title Company: Kerr County Abstract & Title Co.  
712 Earl Garrett Street  
Kerrville, Texas 78028  
Attn: Diane Green, President  
Phone: (830) 257-5151  
Fax: (830) 792-4330  
E-Mail: [diane.green@kerrtitle.com](mailto:diane.green@kerrtitle.com)

Property: An approximately 86.71 acre tract of land, more or less, out of the W.T. Cook Survey No. 71, Abstract No. 114, Kerr County, Texas, and being more

particularly described in Exhibit "A," attached hereto and incorporated herein by reference.

Inspection Period: From Effective Date until Closing.

Closing Date: On or before September 30, 2011, subject to extension as provided herein.

Purchase Price: TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration including the amount equal to the balance of unpaid principal and accrued but unpaid interest due and owing as of the date of Closing on that certain Promissory Note dated February 5, 2008, in the original principal amount of \$1,192,956.18 signed by Kerr Economic Development Foundation, Inc., payable to HCSB, a copy of which is attached hereto as Exhibit "B" and incorporated herein by reference.

Earnest Money: None

**NOW, THEREFORE**, in consideration of the Purchase Price and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **Sale and Purchase.** Seller agrees to sell, and Buyer agrees to purchase the Property as provided in this Agreement, including any and all improvements located thereon.

2. **Title, Survey, and Environmental Reports.**

(a) Not later than ten (10) days after the Effective Date, Seller will obtain:

(i) a current commitment for an Owner's Policy of Title Insurance for the Property from the Title Company, setting forth the state of title to the Property together with any easements or restrictions (existing or created pursuant hereto) benefiting or burdening the Property, together with all exceptions or conditions to such title;

(ii) legible copies of all documents referenced in the Title Commitment;

(iii) tax certificate(s) regarding the payment of ad valorem taxes for current and prior years on the Properties; and

(iv) copies of any environmental studies or reports in Seller's possession or control related to the Property.

(b) Not later than ten (10) days after the Effective Date hereof, Seller shall deliver to Buyer the most recent survey obtained by Seller with respect to the Property, and Buyer may, at Buyer's sole option and in lieu of obtaining a new survey, obtain a certificate from a surveyor subject to approval of the Title Company certifying that no changes have occurred since the prior survey. If Seller's survey is not satisfactory to Buyer or the Title Company, Buyer, at Buyer's sole option, cost and expense (even if the Closing does not occur), may have a survey (the "Survey") of the Property prepared by a duly licensed Texas Registered Public Land Surveyor. The Survey shall be staked on the ground, and the plat shall

show the location of all improvements, highways, streets, roads, railroads, rivers, creeks, or other water courses, fences, easements, and rights-of-way on or adjacent to the Property, if any, and shall contain the surveyor's certification that there are no encroachments on the Property other than what are listed on the Title Report and shall set forth a metes and bounds description of the Property. The legal description contained in said Survey shall be used by the Parties as the legal description contained in the General Warranty Deed.

(c) If Buyer objects to any of the exceptions contained in the Title Commitment, Buyer's objections must be made in writing to Seller not later than ten (10) calendar days after the date Buyer receives the title commitment and the survey. Seller shall in good faith attempt to satisfy or cure the objections to title prior to closing, but Seller shall not be required to incur any cost to do so.

(d) If Seller delivers written notice to Buyer on or before the Closing Date that Seller is unable to satisfy such objections, or if Seller is unable to convey title in accordance with Section 4, below, Buyer may either waive such objections and accept such title as Seller is able to convey, or terminate this Agreement by written notice to Seller.

3. Inspection Period.

(a) During the Inspection Period, Buyer and its agents or employees shall have the right to enter upon the Property during regular business hours upon reasonable notice and conduct such inspections, tests and studies as Buyer deems necessary.

(b) Buyer shall be solely responsible for any damages to the Property caused by Buyer's inspection of the Property.

(c) Buyer, at Buyer's sole option and expense, may obtain a Phase I Environmental Site Assessment ("Phase I ESA") with respect to the Property. If in preparation of the Phase I ESA the investigator determines there is reason to conduct additional investigation requiring a Phase II Environmental Assessment ("Phase II ESA"), Buyer may conduct, at Buyer's sole cost, the Phase II ESA that is recommended. If the consultant preparing the Phase I ESA recommends preparation of a Phase II ESA, the Closing shall be extended for a period not to exceed (30) days unless otherwise agreed by Seller.

(d) Buyer may terminate this Agreement by notifying Seller and Title Company in writing at any time prior to Closing. In such event, neither party shall have any further claim against the other under this Agreement.



4. Closing.

(a) The closing of the sale of the Property shall occur on the Closing Date at the Title Company, or at such other time as may be agreeable to the parties.

(b) At the closing, Seller shall deliver to the Title Company:

(i) a general warranty deed, in form and substance reasonably acceptable to Seller and Buyer, conveying good and indefeasible title to the Property to Buyer, free and clear of any and all encumbrances except the Permitted Exceptions; and

(ii) a Texas owner's policy of title insurance (or equivalent) in the amount of the Purchase Price, insuring such title to the Buyer;

(iii) possession of the Property, free of parties in possession;

(iv) such other documents, signed by Seller, as reasonably requested and required by Title Company.

(c) At the Closing, the Buyer shall deliver to Seller through the Title Company:

(i) the Purchase Price; and

(ii) such other documents, signed by Buyer, as reasonably requested and required by Title Company.

*Seller Pays*

5. **Ad Valorem Taxes; Prorations.** Seller shall pay at or before Closing all ad valorem taxes, plus any penalties, interest, court costs, and attorneys fees, if any, due on delinquent amounts not paid, for tax years prior to the year in which Closing occurs. In addition, rents, lease commissions, interest, insurance premiums, maintenance expenses, operating expenses, and ad valorem taxes for the year of Closing will be prorated at the Closing effective as of the date of the Closing. Seller shall give a credit to Buyer at the Closing in the aggregate amount of any security deposits deposited by tenants under leases affecting the Property and Seller shall have no liability after the date of Closing for any security deposits not actually credited to Buyer. If the Closing occurs before the tax rate is fixed for the year of the Closing, the apportionment of the taxes will be upon the basis of the tax rate for the preceding year applied to the latest assessed valuation, but any difference between actual and estimated taxes for the year of the Closing actually paid by Buyer will be adjusted equitably between the parties upon receipt of a written statement of the actual amount of the taxes. This provision will survive the Closing.

6. **Closing Costs.**

(a) Seller agrees to pay and be responsible for the following closing costs:

(i) one-half (1/2) of the Title Company's escrow fees;

(ii) all fees and premiums for the Basic Owner's Title Policy;

(iii) the cost of all tax certificates relating to all taxes and other assessments incurred or arising in relation to the Property;

(iv) all costs related to obtaining the release of any deed of trust liens and other liens on the Property, including the cost of preparation of any releases of lien and recording fees related to recording said releases;

(v) all costs and expenses incurred by or on behalf of the Seller, including Seller's attorney's fees; and

(vi) such other incidental costs and fees customarily paid by sellers of real estate in Kerr County, Texas for transactions of a similar nature to the transaction contemplated herein.

(b) Buyer hereby agrees to pay and be responsible for the following closing costs:

- (i) one-half (1/2) of the Title Company's escrow fees;
- (ii) all fees and premiums for the Survey;
- (iii) all costs and fees for preparing the Phase I environmental study, if not yet paid;
- (iv) all fees and premiums for any endorsements to the Basic Owner's Title Policy desired by Buyer;
- (v) all costs and expenses incurred by or on behalf of the Buyer, including Buyer's attorneys' fees;
- (vi) recording fees for the general warranty deed; and
- (vii) such other incidental costs and fees customarily paid by buyers of real estate in Kerr County, Texas, for transactions of a similar nature to the transaction contemplated herein.

**7. Permitted Exceptions.** The zoning, the lien for current taxes, and any exceptions to title to which no objection is made by Buyer pursuant to Section 2(c) are deemed to be Permitted Exceptions. In no case shall any exception noted on Schedule C of the Title Commitment be deemed a Permitted Exception.

**8. Representations and Covenants.** The parties represent and warrant that: (a) they have the authority to enter into this Agreement; and (b) no other person has any interests in or claims against the Property (other than as reflected by the Title Commitment), and it will not hereafter encumber the Property. The only representations made by any party concerning the Property and this Agreement are as set out in this Section 8.

**9. Property Sold As Is.**

(a) Buyer represents that as of the Closing Date that it:

- (i) will have fully inspected the Property; and
- (ii) will have made all investigations as it deems necessary or appropriate and will be relying solely upon its inspection and investigation of the Property for all purposes whatsoever, including, but not limited to, the determination of the condition of the structures, improvements, soils, subsurface, drainage, surface and groundwater quality, and all other physical characteristics; availability and adequacy of utilities; compliance with governmental laws and regulations; access; encroachments; acreage and other survey matters and the character and suitability of the Property.

(b) Buyer acknowledges and agrees that the Property is being purchased and will be conveyed "AS IS" with all faults and defects, whether patent or latent, as of the Closing.

(c) Except with respect to the quality of the title being conveyed by Seller pursuant to this Agreement, Buyer acknowledges and agrees that Seller has made no representations, warranties, guarantees, statements or information, express or implied, pertaining to the Property, its condition, or any other matters whatsoever, made to or furnished to Buyer by Seller or any employee or agent of Seller, except as specifically set forth in this Agreement.

10. **Remedies.** If Buyer defaults, Seller's sole remedy shall be to terminate this Agreement. If Seller defaults, Buyer's sole remedy shall be to terminate this Agreement.

11. **Notices.** Notices must be in writing to and given at the addresses stated above. Notice given by delivery service or fax shall be effective upon receipt at the address of the addressee; notice given by mail shall be effective upon receipt. In addition, copies of notices shall be to the party's attorney as shown above.

12. **Miscellaneous.**

(a) **Entireties.** This Agreement contains the entire agreement of the parties pertaining to the Property.

(b) **Modifications.** This Agreement may only be modified by a written document signed by both parties.

(c) **Assignment.** Neither party may assign its rights under this Agreement without the prior written consent of the other party.

(d) **Time is of the Essence.** Time is of the essence with respect to the performance by the parties of their respective obligations hereunder.

(e) **Effective Date.** The Effective Date of this Agreement shall be the date on which the following conditions have been satisfied:

(i) authorized representatives of the parties have signed this Agreement; and

(ii) this Agreement has been approved, ratified, or otherwise authorized by Buyer's Board of Directors and the City Council of the City of Kerrville, Texas, in a joint or separate public meeting(s) held pursuant to the Texas Open Meetings Act.

(f) **Non-Business Day.** If the final date of any period provided herein for the performance of an obligation or for the taking of any action falls on a Saturday, Sunday, or holiday, then the end of such period shall be extended to the next business day.

(g) **Brokers.** The parties represent and warrant that they have not worked with any broker relative to this transaction and that no brokerage commission is due and payable upon the Closing. To the extent allowed by law, each party shall indemnify each other from any claim for brokers' commissions relative to the sale of the property and alleged to be due.

(h) **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original for all purposes and constitute one and the same instrument; but in making

proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

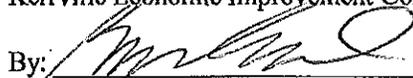
(i) Legal Construction. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

(j) Law Governing. This Agreement shall be construed under and in accordance with the laws of the State of Texas; and venue for any action arising from this Agreement shall be in the State District Court of Kerr County, Texas. The parties agree to submit to the personal and subject matter jurisdiction of said court.

(k) Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the parties, as well as any rights and benefits of the parties, pertaining to a period of time following the Closing shall survive.

SIGNED AND AGREED this the 2<sup>nd</sup> day of September, 2011.

BUYER:  
Kerrville Economic Improvement Corporation

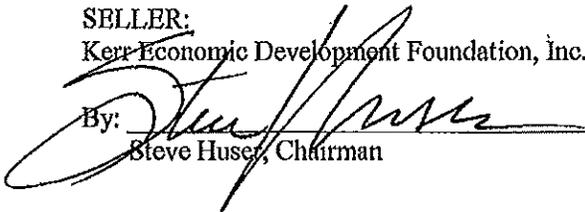
By:   
Gregg Appel, President

APPROVED AS TO FORM:

  
Michael C. Hayes, Attorney for Buyer

SIGNED AND AGREED this the \_\_\_\_\_ day of \_\_\_\_\_, 2011.

SELLER:  
Kerr Economic Development Foundation, Inc.

By:   
Steve Huser, Chairman

APPROVED AS TO FORM:

\_\_\_\_\_  
Craig Leslie, Attorney for Seller

RECEIPT OF CONTRACT

Title Company acknowledges receipt of a copy of this Agreement executed by both Buyer and Seller on the \_\_\_\_\_ day of \_\_\_\_\_, 2011.

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

Diane Green, President  
Kerr County Abstract & Title Co.  
712 Earl Garrett Street  
Kerrville, Texas 78028

**EXHIBIT "A"**  
**DESCRIPTION OF PROPERTY**

... of the Real Property Records of Kerr County, Texas; and being more particularly described by metes and bounds as follows:

**BEGINNING** at a 1/2" iron stake set in the northeast right-of-way line of Peterson Farm Road, a sixty (60) ft. wide public road and in the southwest line of said 268.62 acre tract for the most westerly corner of the herein described tract; which point bears: 64.57 ft., S.30°55'53"E. from a fence cornerpost, the most westerly corner of said 268.62 acre tract; and, approximately, 4646 ft. South and 3706 ft. West from the northwest corner of Survey No. 43;

**THENCE**, upon, over and across said 268.54 acre tract, parallel to and sixty (60) ft. east and southeast from the west line of 268.54 acre tract, all calls to set 1/2" Iron stakes: N.37°23'22"E., 257.05 ft.; N.19°32'35"E., 746.64 ft.; N.18°32'29"E., 401.99 ft.; N.41°24'35"E., 226.79 ft.; S.89°03'43"E., 333.56 ft.; and N.71°57'13"E., 737.56 ft. to a 1/2" iron stake set in a fence for the northerly northeast corner of the herein described tract;

**THENCE**, along or near a fence continuing upon, over and across said 268.62 acre tract, all calls to fence angleposts: S.01°57'42"E., 482.78 ft.; S.13°11'05"E., 415.47 ft.; N.77°49'16"E., 753.33 ft.; N.77°58'21"E., 98.86 ft.; S.85°32'16"E., 12.08 ft.; S.74°27'14"E., 3.75 ft.; S.03°46'51"W., 17.24 ft.; and S.54°21'06"E., 154.52 ft. to a fence cornerpost in the south line of 268.62 acre tract and north line of a certain 142 acre tract conveyed as Parcel No. 1 from Ida E. Ingenhuetl, et al to the City of Kerrville by a Warranty Deed executed the 16<sup>th</sup> day of August, 1941 and recorded in Volume 68 at Page 302 of the Deed Records of Kerr County, Texas;

**THENCE**, along a fence with the common line between said 268.62 and 142 acre tracts: S.22°36'31"W., 289.54 ft. to a fence anglepost; S.47°54'07"W., 280.75 ft. to a fence cornerpost; and N.18°05'29"W., at 29.8 ft. passing a fence endpost, then continuing for a total distance of 51.30 ft. to an unmarked point in the approximate center of Silver Creek;

**THENCE**, with the said approximate center of Silver Creek continuing with the said common line between 268.62 and 142 acre tracts, all calls to unmarked points: S.51°22'58"W., 235.04 ft.; S.32°29'44"W., 281.06 ft.; S.30°19'43"W., 330.44 ft.; S.40°56'47"W., 335.80 ft.; S.66°45'40"W., 349.28 ft.; N.85°35'12"W., 217.96 ft.; N.82°37'16"W., 178.69 ft.; S.88°45'46"W., 192.23 ft.; S.86°02'35"W., 125.33 ft.; N.86°48'11"W., 100.78 ft.; S.41°59'45"W., 120.64 ft.; and S.46°29'39"W., 120.34 ft. to an unmarked point in a fence, the said northeast right-of-way line of Peterson Farm Road for the southwest corner of the herein described tract and 268.62 acre tract;

**THENCE**, along a fence with the southwest line of said 268.62 acre tract and northeast right-of-way line of Peterson Farm Road N.30°55'53"W., 864.69 ft. to the **PLACE OF BEGINNING**.

**EXHIBIT "B"**  
**COPY OF SELLER'S PROMISSORY NOTE**

Promissory Note

Kerrville, Kerr County, Texas

Date: February 5, 2008

FOR VALUE RECEIVED, Borrower jointly and severally promises to pay to the order of Lender the Principal Amount or so much as may be advanced from time to time by Lender to Borrower or for the benefit of Borrower plus interest at the Annual Interest Rate. This Note is payable at the Place for Payment, or at such other place in Kerr County, Texas as the holder hereof shall designate from time to time in writing, in lawful money of the United States of America, and according to the Terms of Payment. All unpaid amounts are due by the Maturity Date.

Borrower (whether one or more): KERR ECONOMIC DEVELOPMENT FOUNDATION, INC.

Borrower's Mailing Address: 1700 Sidney Baker, Suite 100, Kerrville, Kerr County, Texas 78028

Lender: HCSB, a state banking association

Place for Payment: 1145 Junction Highway, Kerrville, Kerr County, Texas 78028

Principal Amount: ONE MILLION ONE HUNDRED NINETY TWO THOUSAND NINE HUNDRED FIFTY SIX AND 18/100 (\$1,192,956.18) DOLLARS

Maturity Date: February 5, 2013

Annual Interest Rate: Interest shall accrue and be charged on that part of the outstanding principal remaining from time to time unpaid from the date of advancement of principal hereunder until the full amount of the principal advanced hereunder has been paid. Beginning on the date of advancement of principal under this Note and continuing until the Initial Change Date (as hereinafter defined), Borrower agrees to pay interest at an annual rate of Five and One-Half Percent (5.50%) (the "Initial Interest Rate"). Interest at the rate herein specified shall be computed on the basis of the actual number of days elapsed in a year consisting of 360 days unless the Maximum Interest Rate would thereby be exceeded in which event, to the extent necessary to avoid exceeding the Maximum Interest Rate, the applicable interest shall be computed on the basis of the actual number of days elapsed in the applicable calendar year in which accrued. Commencing on the Initial Change Date and provided the maturity of this Note has not been accelerated, the interest rate that Borrower will pay will change in accordance with the provisions hereof but in no event to exceed the Maximum Interest Rate hereinafter set forth. Interest rate changes may occur on February 5, 2009 (herein sometimes called the "Initial Change Date") and on each February 5, of each year thereafter until the Maturity Date. Each date on which the rate of interest may change is hereinafter called a "Change Date". Any changes in the interest rate will be based on an interest rate index which is hereinafter called the "Index". The Index as used herein shall be the prime rate of interest as published in The Wall Street Journal, Money Rates guide (Southwest Edition); provided that if a range of U. S. "Prime Rate" or more than one U. S. "Prime Rate" is published, the higher rate shall be used. If the Prime Rate ceases to be so published, the Note interest rate will be

determined by a comparable index selected by Lender. To set the new interest rate, the Lender first will determine the current Index figure which shall be the most recently available index value, being defined herein as the Index figure available on each Change Date (herein called the "Current Index"). The Lender will then calculate the new interest rate by subtracting one-half (.50) percentage point from the Current Index. THE INTEREST RATE CALCULATED PURSUANT TO THESE PROVISIONS WILL NOT EXCEED THE MAXIMUM INTEREST RATE AS HEREIN DEFINED. Each new interest rate will become effective on the Change Date based upon the calculation of such change in interest rate as herein specified. Changes in Borrower's payments as a result of the change in the interest rate will commence as of the first payment due after the then current Change Date. Lender will send written notification to Borrower of the new interest rate and the amount of the new payments that will begin on the date of the next payment due after each such Change Date, if any. Payments on this Note, other than prepayments, shall first be applied to accrued unpaid interest and then to the principal balance hereof. All past due principal and interest shall bear interest at the Maximum Interest Rate hereinafter set forth.

The Maximum Interest Rate payable under this Note will be, and will not exceed, eighteen percent (18%) per annum or the maximum interest rate for which parties may contract under, and as permitted by, applicable laws (the so called state usury ceiling), whichever is less.

Late Charge: If any installment becomes overdue for more than ten (10) days, at Lender's option a late payment charge of five percent (5%) may be charged in order to defray the expense of handling the delinquent payment.

Terms of Payment: (1) Interest only shall be due and payable annually as it accrues, on the 5 day of February, 2009, and on the 5 day of February, 2010.

(2) The Principal Amount and interest shall be payable in consecutive annual installments, the first installment being due and payable on February \_\_, 2011, and additional installments being due and payable on the same date of February of each year thereafter until the Maturity Date. Borrower's initial payments of the Principal Amount and interest will be in an amount set by Lender sufficient to amortize and to repay in full the unpaid principal balance of this Note, together with interest thereon at the current adjusted interest rate, in substantially equal payments over a period of thirteen (13) years. Any remaining unpaid principal, interest and other charges, if not sooner paid, shall be due and payable in full on the Maturity Date. THIS LOAN IS DUE IN FULL ON THE MATURITY DATE. AT MATURITY, YOU MUST REPAY THE ENTIRE PRINCIPAL BALANCE OF THE LOAN AND UNPAID INTEREST THEN DUE. THE BANK IS UNDER NO OBLIGATION TO REFINANCE THE BALANCE OF THIS LOAN AT MATURITY. IF THE BANK ELECTS TO REFINANCE THIS LOAN, IT IS UNDERSTOOD THAT THE INTEREST RATE ON THE NEW LOAN WILL BE AT THE PREVAILING MARKET RATES WHICH MAY BE HIGHER THAN THE INTEREST RATE OF THIS LOAN.

In the event of interest rate changes, the amount of Borrower's payments will change. Increases in the interest rate will result in higher payments unless prepayments of principal since the last Change Date offset the increases in such payments. Decreases in the interest rate will result in lower payments. The Lender shall adjust the amount of Borrower's payments as of the day of each Change

Date on which a change in interest rate is made. The amount of Borrower's payments, as adjusted, will be in an amount sufficient to amortize and to repay in full the unpaid principal balance of this Note, together with interest thereon at the current adjusted interest rate, in substantially equal, annual payments over a period of thirteen (13) years less the number of years from the date of this Note to the Change Date on which the current interest rate has been adjusted as herein provided. In setting the adjusted payment amount, the Lender will assume that the Note interest rate will not change.

Prepayments: Borrower shall have the right to make a full or a partial prepayment of principal at any time without paying any penalty. In the event Borrower elects to make a prepayment, Borrower agrees to notify Lender in writing of such action. Lender will use all of such prepayments to reduce the amount of principal owed under this Note. In the event of a partial prepayment, there will be no delays in the due dates of the payments hereinbefore described unless Lender agrees, in writing, to such delays. A partial prepayment will reduce the amount of Borrower's payments after a change in interest rate (as herein defined) following the date of such partial prepayment; however, any reduction due to a partial prepayment may be offset by an interest rate increase.

Security Documents: This Note is secured by the following described lien and/or security documents (the "Security Documents"), covering certain property, which is more particularly described therein, to which Security Documents reference is hereby made for a description of the property mortgaged, the nature and extent of the security, and the rights of the holder hereof in respect to such security:

Vendor's Lien retained in Deed and Deed of Trust and Security Agreement-Financing Statement of even date herewith executed and delivered by Borrower to and for the benefit of Lender.

The entire unpaid principal balance of, and all accrued interest on, this Note shall, at the option of the holder hereof, become immediately due and payable if (i) default shall be made by Borrower in the payment of the principal hereof or interest accrued hereon as and when same becomes due and payable in accordance with the terms hereof, or (ii) default shall be made in the performance or observance of, or under, any covenant, condition, provision or agreement contained in the Security Documents, or (iii) upon the occurrence of the bankruptcy or insolvency of, the assignment for the benefit of creditors by, or the appointment of a receiver of any of the property of any party liable for the payment of this Note, whether as maker, endorser, guarantor, surety or otherwise, or (iv) default in the payment of any other indebtedness due the holder hereof or default in the performance of any other obligation owed to the holder hereof by Maker or any other party liable for the payment hereof, whether as endorser, guarantor, surety or otherwise.

~~Borrower and each surety, endorser, guarantor and other party liable for payment of any sums payable on this Note, (i) jointly and severally waive protest, acceleration, demand, demand for payment, presentment, presentment for payment, dishonor, and all notices, including but not limited to notice of intention to accelerate, notice of dishonor, notice of nonpayment, notice of default, notice of protest, and notice of acceleration, (ii) jointly and severally waive the filing of suit and diligence in collecting this Note or enforcing any of the security hereof, (iii) jointly and severally~~

agree that their liability on this Note shall not be affected by any renewal or extension in time of payment hereof, by any indulgences, or by any release or change in any security for the payment of this Note, and (iv) jointly and severally consent to any and all renewals, extensions, indulgences, releases or changes, regardless of the number of such renewals, extensions, indulgences, releases or changes.

In the event this Note is placed in the hands of an attorney for collection, or in the event this Note is collected in whole or in part through bankruptcy, probate or other legal proceedings of any kind, legal or equitable, then in any such case, Borrower promises to pay all costs of collection incurred by the holder hereof whether or not suit is filed, including but not limited to all attorneys' fees and other costs incurred in connection therewith and all expenses incurred in connection with any foreclosure under the Security Documents; but in no event shall said attorneys' fees be less than ten percent of the then unpaid principal and interest.

Any notice or demand given hereunder by any holder hereof shall be deemed to have been given and received (i) when actually received by Borrower, if delivered in person, or (ii) when a letter containing such notice, certified or registered, with postage prepaid, addressed to Borrower is deposited in the United States mails. The address of Borrower is as set forth herein, or such other address as Borrower shall advise the holder hereof by certified or registered letter.

No delay on the part of the holder of this Note in the exercise of any power or right under this Note, or under the Security Documents, or under any other instrument executed pursuant hereto shall operate as a waiver thereof, nor shall a single or partial release of any other power or right preclude other or further exercise thereof or of the exercise of any other power or right. Enforcement by the holder of this Note of any security for the payment hereof shall not constitute any election by it of remedies so as to preclude the exercise of any other remedy available to it.

If any term hereof or of any documents securing this Note is susceptible of being construed as obligating Borrower or any guarantor or other party obligated hereon for the payment of interest in excess of that authorized by applicable law, it is agreed that such term is a mistake in calculation or wording, and notwithstanding the same, it is expressly agreed that neither Borrower, any guarantor nor any other person or entity obligated in any manner for the payment hereof shall ever be required or obligated to pay interest in excess of that authorized by applicable law. It is the intention of the holder hereof to conform strictly to the applicable laws now in force. All agreements between Borrower, any guarantor or any other party liable hereon and the holder hereof are expressly limited so that in no contingency or event whatsoever, shall the amount paid or agreed to be paid to the holder hereof for the use, forbearance or detention of the money to be advanced hereunder exceed the highest lawful rate permissible under any and all applicable laws. If from any circumstances whatsoever, the holder hereof shall ever receive as interest an amount which would exceed the highest lawful rate, such amount which would be excessive interest shall be first applied to the ~~reduction of the unpaid principal balance due hereunder, and not to the payment of interest, and any~~ remaining excess shall be refunded to Borrower or the party making such payment. All sums paid or agreed to be paid to the holder hereof for the use, forbearance or detention of the indebtedness ~~specified herein shall, to the extent permitted by applicable law, be amortized, prorated, allocated~~ and spread throughout the full term of such indebtedness until payment in full so that the actual rate

of interest on account of such indebtedness is uniform throughout the term of this Note. These provisions shall control every other provision of all agreements between Borrower and any guarantor or party liable hereon and the holder thereof.

Each Borrower is responsible for all obligations represented by this Note.

When the context requires, singular nouns and pronouns include the plural.

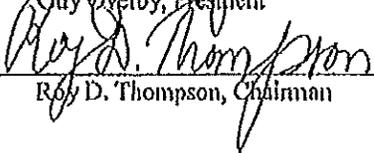
THE LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

EXECUTED as of the day and year first above written.

KERR ECONOMIC DEVELOPMENT FOUNDATION, INC.

BY:   
Guy Overby, President

BY:   
Roy D. Thompson, Chairman

**Agenda Item:**  
**(Staff)**

3G. Contract with Kerr County Tax Assessor/Collector for conducting the City of Kerrville General Election to be held on May 12, 2012. (staff)

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

---

**SUBJECT:** Authorize execution of a contract with Kerr County for conducting the City of Kerrville General Election to be held on May 12, 2012

**FOR AGENDA OF:** September 13, 2011    **DATE SUBMITTED:** August 31, 2011

**SUBMITTED BY:** Brenda Craig     **CLEARANCES:** Todd Parton  
Mike Hayes 

**EXHIBITS:** Election Agreement with Kerr County

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** 

---

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

**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE FINANCE DIRECTOR:**

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**SUMMARY STATEMENT**

The attached agreement will authorize the Kerr County Elections Officer to conduct the City of Kerrville General Election to be held on May 12, 2012, including:

- Hiring and training election judges and workers.
- Management of the polling location.
- Preparation, ordering and distribution of ballots.
- Handle early voting by mail.

The city will reimburse the county for the actual expenses attributable to the cost of the city election, plus 10% of the cost incurred, and a \$50 administrative fee.

**RECOMMENDED ACTION**

The city secretary recommends approval of the contract.

**ELECTION AGREEMENT**

**CITY OF KERRVILLE**

**THE STATE OF TEXAS  
COUNTY OF KERR**

**THIS AGREEMENT** is made and entered into by and between Diane Bolin Tax Assessor/Collector (or designated employee) of Kerr County, Texas duly constituted and acting as County Elections Officer and the CITY OF KERRVILLE by and through David Wampler, its mayor, hereinafter referred to as The “CITY OF KERRVILLE” and by authority of Section 31.092, Vernon’s Texas Civil Statutes, Election Code for conducting and supervision of the May 12, 2012 election for the CITY OF KERRVILLE in conjunction with said Election.

Diane Bolin, Tax Assessor/Collector (or designated employee) shall order all supplies for the election and distribute those supplies to the election personnel. Election forms and all records of the election shall be combined for use in this election on the tally equipment.

**THIS AGREEMENT** is entered into in consideration of the mutual covenants and agreement hereinafter set out. IT IS AGREED AS FOLLOWS:

**I. DUTIES AND SERVICES OF KERR COUNTY**

Diane Bolin Tax Assessor/Collector (or designated employee) agrees to coordinate, supervise, and handle all aspects in administering the CITY OF KERRVILLE elections in accordance with the provisions of the Texas Election Code and as outlined in this Agreement.

Diane Bolin, Tax Assessor/Collector (or designated employee) in connection with the holding and supervision of said election shall assume the following responsibilities:

- a. Shall be responsible for notifying each election judge and alternate judge of his or her appointment and for determining the number of clerks and other election workers authorized to work at each voting location, and to arrange for the notification, including writ of election, and compensation of all presiding judges and alternate judges.
- b. Election judges shall be responsible for picking up election supplies and materials at the time and place determined by Diane Bolin, Tax Assessor/Collector (or designated employee.) This responsibility will be set forth in the election judges’ letter notifying the judge of his/her appointment.
- c. Procure, prepare, proof, and distribute ballots.

## Elections Contract – the CITY OF KERRVILLE

- d. Procure, prepare, and distribute election judge's kits.
- e. Arrange for the use and compensation of polling locations.
- f. Use Optical scanning eScan Equipment and DAU eSlate (Hart 6.2.1) for counting of ballots as certified by the Secretary of State to comply with Help America Vote Act for early voting and election day.
- g. Assemble the list of registered voters to be used in conducting the election in conformity with the election precincts established for the election.
- h. Publish the legal notice of the date, time and place of the testing of the electronic tabulation equipment and conduct such testing.
- i. Supervise the handling and disposition of election returns, voted ballots, etc., and tabulate unofficial returns and assist in preparing the tabulation for the official canvass.
- j. Diane Bolin, Tax Assessor/Collector (or designated employee) will prepare the unofficial tabulation report after all precincts have been counted, and will provide a copy of the report to the CITY OF KERRVILLE as soon as possible after all returns have been tabulated, but in no event later than 2:00 p.m. on the 10<sup>th</sup> day following the election. CITY OF KERRVILLE will be responsible for the official canvass of its General Election.
- k. All early voting ballots (those cast by mail and those cast by personal appearance) will be prepared for counting by an Early Voting Ballot Board.
- l. Handle all aspects of Early Voting including those voting by mail.
- m. Prepare the results of the election for CITY OF KERRVILLE to conduct its own canvass of the election as prescribed by law.
- n. Provide at no cost for the storage of all election records as provided by law

## **II. DUTIES AND SERVICES OF CITY OF KERRVILLE**

CITY OF KERRVILLE in connection with the holding and supervision of said election shall assume the following responsibilities and shall directly bear any cost for the same:

## Elections Contract – the CITY OF KERRVILLE

- a. Shall receive from their candidates all documents filed under Title 15 of the Texas Election Code relating to campaign contributions and expenditures.
- b. Preparation of election orders, resolutions, notices, and other pertinent documents for adoption or execution by the appropriate office or body and post or publish in the required time frame.
- c. Prepare and send out “Notice of Drawing” for a place on the Ballot to all eligible candidates.
- d. Election Officers with a list provided by Diane Bolin Tax Assessor/Collector (or designated employee) shall be appointed and approved through the governing body of the CITY OF KERRVILLE. The Election Officers are as follows: Early Voting Judge, Election Day Judge, Election Day Alternate Judge, Central Counting Station Manager, Tabulation Supervisor, Presiding Judge, and Early Voting Ballot Board Judge.
- e. Polling Location shall be appointed and approved through the governing body of the CITY OF KERRVILLE.
- f. Deliver to Diane Bolin, Tax Assessor/Collector (or designated employee) as soon as possible, a list showing the official wording for the Election titles that are to be printed on the ballot with the exact form, orders, wording, and spelling that is to be used.
- g. Pay any additional costs incurred by Diane Bolin, Tax Assessor/Collector (or designated employee) if a recount for the election is required, or the election is contested in any manner.
- h. Shall issue “Certificates of Election” to candidates elected after the Official Canvass.
- i. The CITY OF KERRVILLE will be responsible for the official canvass of its Election.

### **III. PAYMENT FOR SERVICES**

- a. The CITY OF KERRVILLE shall pay to Kerr County the actual expenses directly attributable to the Contract including the ten percent (10%) of the budget cost for Election Service Contract Fee pursuant to the Texas Election Code, Section 31.100 and the administrative fee of \$50.00 per election. (See attached Estimated Cost Sheet.)
- b. After the date of election and completion of all duties required of the Tax Assessor/Collector (or designated employee) shall then compute the final statement for all expenses including the ten percent (10%) of the budget

Elections Contract – the CITY OF KERRVILLE

cost for Election Service Contract Fee, the \$50.00 Administration Fee and mail payment for the election services to Kerr County. The CITY OF KERRVILLE shall be responsible for paying this amount within thirty (30) days from the Final Cost Report.

c. If the election is cancelled a \$75.00 administration fee is due.

IN WITNESS WHERE OF, the parties hereto have made and entered into this agreement this 1<sup>st</sup> day of Sept, 2011.

CITY OF KERRVILLE, TEXAS:

Diane Bolin

Diane Bolin, Tax Assessor/Collector

(Or Designated Employee)

\_\_\_\_\_  
David Wampler, Mayor

APPROVED AS TO FORM:

Michael C. Hayes

Michael C. Hayes, City Attorney

<b>ESTIMATED COST of City of Kerrville Election</b>						
<b>County Election Services Contract Costs</b>						<b>Estimate</b>
<b>1</b>	<b>Ballot Printing Cost</b>					
	First 1000 Ballots Free					\$ -
	Second 1000 Ballots					
<b>2</b>	<b>Electronic Voting System Programming</b>					
	Programing, Test & Sample Ballots & shipping of ballots					\$ 1,600.00
<b>* 3</b>	<b>Publication of Test of Electronic Voting Equipment</b>					
	Newspaper-West Kerr Current					\$ 40.00
	Other Newspapers as requested per their fees					
<b>4</b>	<b>Charge for Wireless Internet</b>					\$ 435.00
<b>5</b>	<b>Lease of Voting Machines</b>					
	Early Voting and Election Day					
			<b># of Units</b>	<b>Lease Cost</b>		
	eSlates		2	\$37.50		\$ 75.00
	JBC		2	\$37.50		\$ 75.00
	eScans		2	\$67.50		\$ 135.00
	Tally Computer		1	\$57.75		\$ 57.75
	Lap Top Computer		1	\$52.50		\$ 52.50
<b>6</b>	<b>Precinct Election Judges and Clerks</b>					
	\$10.00 per Hour					
	Early Voting Clerk		2	80 hours		\$ 1,600.00
	Election Day Judge & Alternate Judge		2	14 Hours		\$ 280.00
	Election Day Clerks		4	14 hours		\$ 560.00
	Early Ballot Board Clerks		3	3hours		\$ 90.00
	Tabulation Supervisor & Personnel		3	3 hours		\$ 90.00
	Election Night Workers		-	-		\$ -
<b>7</b>	<b>Fee for Pickup of Supplies before Election Day and</b>					
	Delivery of Supplies after Polls Close Per Election Day Judge					\$ 25.00
<b>8</b>	<b>Technical Support Personnel</b>					\$ -
<b>9</b>	<b>Miscellaneous Election Costs</b>					
	Elections Kits		2	\$ 50.00		\$ 100.00
	Central Counting Station Kit		1	\$ 12.00		\$ 12.00
<b>*</b>	Shipping Kits & MBB's for programming					\$ 40.00
	Postage - Appointment of Judges & Clerks		7	\$ 0.60		\$ 4.20
	Postage - Writ of Election to Judge		2	\$ 0.60		\$ 1.20
	Postage - Mail Ballot - Applications		100	\$ 0.60		\$ 60.00
	Postage - Mail Ballots		100	\$ 0.65		\$ 65.00
	Mail Ballot Kits		100	\$ 1.50		\$ 150.00
	<b>SUBTOTAL EXPENSES - Cost of the Election</b>					<b>\$ 5,547.65</b>
<b>10</b>	<b>Election Service Contract Fee (10% of Cost)</b>					<b>\$ 554.77</b>

	Administrative Fee						\$ 50.00
11	<b>TOTAL COST OF ELECTION</b>						\$ 6,152.42
	Balance due 30 days after Final Cost Report						
	<b>* The following items may be divided with the different entity having a election</b>						
3	Publication - Newspaper						
9	Shipping of MBB, Election Kits -split with City of Ingram, Ingram ISD and Kerrville ISD						

## **Agenda Item:** **(Staff)**

3H. Land Lease Off Airport between the City of Kerrville and the Federal Aviation Administration (FAA) providing land rights to the FAA for the outer marker and compass locator site. (staff)



**U.S. DEPARTMENT OF TRANSPORTATION FEDERAL AVIATION  
ADMINISTRATION**

**LAND LEASE OFF AIRPORT**

**Lease No: DTFACN-12-L-00074  
KERRVILLE, TEXAS**

THIS LEASE is hereby entered into by CITY OF KERRVILLE, TEXAS whose address is 800 Junction Highway, Kerrville, Texas 78028, hereinafter referred to as the Lessor and the United States of America, herein after referred to as the Government. This lease shall become effective when it is fully executed by all parties. The terms and provisions of this lease, and the conditions herein, bind the Lessor and the Lessor's heirs, executors, administrators, successors, and assigns.

WITNESSETH: The parties hereto, for the consideration hereinafter mentioned covenant and agree as follows:

1. PREMISES (AUG-02):

The Lessor hereby leases to the Government the following described property, hereinafter referred to as the premises:

A tract of land being out of the Lot 1, Oak View Estates, a subdivision, out of the Benjamin B. Peck Survey No. 51, Abstract No. 266, recorded in Vol. 4, Page 85, Deed Records, Kerr County, Texas to-wit:

Beginning at a point in the north line of Lot 1 of the Oak View Estates Subdivision, said point bears N 89°34' E a distance of 638.40 feet from the most northwesterly corner of said Lot 1; Thence along the north line of said Lot 1 N 89°34' E a distance of 706.87 feet to the east line of Lot 1; Thence with said east line S 5°05' E a distance of 30.10 feet; Thence S 89°34' W a distance of 544.31 feet; Thence S 0°49' E a distance of 153.22 feet; Thence S 89°34' W a distance of 165 feet; Thence N 0°49' W a distance of 183.22 feet to the Place of Beginning, said tract containing 1.06 acres, more or less, as shown on Exhibit "A", also known as Drawing No. SW-D-11047-2, attached hereto and made a part hereof.

A. Together with a right-of-way for ingress to and egress from the premises for Government employees, their agents and assigns, a right-of-way for establishing and maintaining a pole line or pole lines for extending electric power and/or telecommunication lines to the premises; and a right-of-way for subsurface power, communication and/or water lines to the premises; all rights-of-way to be over said lands and adjoining lands of the Lessor, and unless herein described otherwise, to be by routes reasonably determined to be the most convenient to the Government.

B. And the right of grading, conditioning, and installing drainage facilities, and seeding the soil of the premises, and the removal of all obstructions from the premises

which may constitute a hindrance to the establishment and maintenance of Government facilities.

C. And the right to make alterations, attach fixtures, and erect additions, structures, or signs, in or upon the premises hereby leased, which alterations, fixtures, additions, structures or signs so placed in or upon, or attached to the said premises shall be and remain the property of the Government.

**2. TERM (AUG-02):**

To have and to hold, for the term commencing on May 30, 2011 and continuing through September 30, 2021, inclusive, PROVIDED, that adequate appropriations are available from year to year for the payment of rentals.

**3. CONSIDERATION (NO COST) (AUG-02):** The Government shall pay the Lessor no monetary consideration in the form of rental, it being mutually agreed that the rights extended to the Government herein are in consideration of the obligations assumed by the Government in its establishment, operation and maintenance of facilities upon the premises hereby leased.

**4. CANCELLATION (AUG-02):**

The Government may terminate this lease, in whole or in part, if the Real Estate Contracting Officer (RECO) determines that a termination is in the best interest of the Government. The RECO shall terminate by delivering to the Lessor a written notice specifying the effective date of the termination. The termination notice shall be delivered by registered mail return receipt requested and mailed at least 30 days before the effective termination date.

**5. QUIET ENJOYMENT (OCT-96):**

The Lessor warrants that they have good and valid title to the premises, and rights of ingress and egress, and warrants and covenants to defend the Government's use and enjoyment of said premises against third party claims.

**6. NOTIFICATION OF CHANGE IN LAND TITLE (AUG-02):**

If the Lessor sells or otherwise conveys to another party or parties any interest in the aforesaid land, rights of way thereto, and any areas affecting said demised premises, they shall notify the Government, in writing, of any such transfer or conveyance affecting the demised premises within 30 calendar days after completion of the "change in property rights". Concurrent with the written notification, the Lessor shall provide the Government copies of the legal document(s) (acceptable to local authorities) for transferring and or conveying the property rights.

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**1.3.2 Land Off an Airport**

Revised July 2010

OMB Control No. 2120-0595

Lease No. DTFACN-12-L-00074  
ERV- Outer Marker (OM)  
Kerrville Municipal Airport/  
Louis Schreiner Field  
Kerrville, TX

JM7. SUBORDINATION, NONDISTURBANCE AND ATTORNMENT (OCT-96):  
The Government agrees, in consideration of the warranties herein expressed, that this lease is subject and subordinate to any and all recorded deeds of trust, mortgages, and other security instruments now or hereafter imposed upon the premises, so long as such subordination shall not interfere with any right of the Government under this lease. It is mutually agreed that this subordination shall be self operative and that no further instrument shall be required to effect said subordination.

In the event of any sale of the premises, or any portion thereof, or any such transfer of ownership, by foreclosure of the lien of any such security instrument, or deed provided in lieu of foreclosure, the Government will be deemed to have attorned to any purchaser, successor, assigns, or transferee. The succeeding owner will be deemed to have assumed all rights and obligations of the Lessor under this lease, establishing direct privity of estate and contract between the Government and said purchasers/transferees, with the same force, effect and relative priority in time and right as if the lease had initially been entered into between such purchasers or transferees and the Government; provided that such transferees shall promptly provide, following such sale or transfer, appropriate documentation deemed necessary by the Real Estate Contracting Officer, and shall promptly execute any instrument, or other writings, as shall be deemed necessary to document the change in ownership.

8. NOTICES (OCT-96):

All notices/correspondence shall be in writing, reference the lease number, and be addressed as follows:

TO LESSOR:     City of Kerrville  
                  800 Junction Highway  
                  Kerrville, TX 78028

TO GOVERNMENT:     Department of Transportation  
                       Federal Aviation Administration  
                       Real Estate and Utilities Group, ASW-53  
                       2601 Meacham Blvd.  
                       Fort Worth, Texas 76137

9. CONTRACT DISPUTES (Nov. 03)

A. All contract disputes and arising under or related to this lease contract shall be resolved through the Federal Aviation Administration (FAA) dispute resolution system at the Office of Dispute Resolution for Acquisition (ODRA) and shall be governed by the procedures set forth in 14 C.F.R. Parts 14 and 17, which are hereby incorporated by reference. Judicial review, where available, will be in accordance with 49 U.S.C. 46110

**1.3.2 Land Off an Airport**

Revised July 2010

OMB Control No. 2120-0595

and shall apply only to final agency decisions. A Lessor may seek review of a final FAA decision only after its administrative remedies have been exhausted.

B. All Contract Disputes shall be in writing and shall be filed at the following address:

Office of Dispute Resolution for Acquisition, AGC-70,  
Federal Aviation Administration,  
800 Independence Ave., S.W.,  
Room 323,  
Washington, DC 20591  
Telephone: (202) 267-3290,  
Facsimile: (202) 267-3720; or

C. A contract dispute against the FAA shall be filed with the ODRA within two (2) years of the accrual of the lease contract claim involved. A contract dispute is considered to be filed on the date it is received by the ODRA.

D. The full text of the Contract Disputes clause is incorporated by reference. Upon request the full text will be provided by the RECO.

#### 10. PROTEST (Nov. 03)

A. Protests concerning Federal Aviation Administration Screening Information Requests (SIRs) or awards of lease contracts shall be resolved through the Federal Aviation Administration (FAA) dispute resolution system at the Office of Dispute Resolution for Acquisition (ODRA) and shall be governed by the procedures set forth in 14 C.F.R. Parts 14 and 17, which are hereby incorporated by reference. Judicial review, where available, will be in accordance with 49 U.S.C. 46110 and shall apply only to final agency decisions. A protestor may seek review of a final FAA decision only after its administrative remedies have been exhausted.

B. Offerors initially should attempt to resolve any issues concerning potential protests with the Real Estate Contracting Officer.

C. Protests shall be in writing and shall be filed at:  
Office of Dispute Resolution for Acquisition, AGC-70,  
Federal Aviation Administration,  
800 Independence Ave., S.W.,  
Room 323,  
Washington, DC 20591  
Telephone: (202) 267-3290,  
Facsimile: (202) 267-3720

D. At the same time as filing the protest with the ODRA, the protestor shall serve a copy of the protest on the Real Estate Contracting Officer (RECO).

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#### 1.3.2 Land Off an Airport

Revised July 2010

OMB Control No. 2120-0595

E. A protest is considered to be filed on the date it is received by the ODRA and shall be filed:

(i) Not later than seven (7) business days after the date the protester knew or should have known of the grounds for the protest; or

(ii) If the protester has requested a post-award debriefing from the RECO, not later than five (5) business days after the date on which the RECO holds that debriefing.

F. The full text of the Protest clause is incorporated by reference. Upon request the full text will be provided by the RECO.

**11. ANTI-KICKBACK (OCT-96):**

The Anti-Kickback Act of 1986 (41 U.S.C. 51-58) (the Act), prohibits any person from

A. Providing or attempting to provide or offering to provide any kickback;

B. Soliciting, accepting, or attempting to accept any kickback; or

C. Including, directly or indirectly, the amount of any kickback in the contract price charged by a prime Contractor to the United States Government or in the contract price charged by a subcontractor to a prime contractor or higher tier subcontractor.

**12. ASSIGNMENT OF CLAIMS (OCT-96):**

Pursuant to the Assignment of Claims Act, as amended, 31 USC 3727, 41 USC 15, the Lessor may assign his rights to be paid under this lease.

**13. COVENANT AGAINST CONTINGENT FEES (AUG-02):**

The Lessor warrants that no person or agency has been employed or retained to solicit or obtain this contract upon an agreement or understanding for a contingent fee, except a bona fide employee or agency. For breach or violation of this warranty, the Government shall have the right to annul this contract without liability or, in its discretion, to deduct from the contract price or consideration, or otherwise recover the full amount of the contingent fee.

**14. OFFICIALS NOT TO BENEFIT (OCT-96):**

No member of or delegate to Congress, or resident commissioner, shall be admitted to any share or part of this contract, or to any benefit arising from it. However, this clause does not apply to this contract to the extent that this contract is made with a corporation for the corporation's general benefit.

**15. NON-RESTORATION (OCT-96):**

It is hereby agreed between the parties, that upon termination of its occupancy (due to termination or expiration of the lease), the Government shall have no obligation to restore and/or rehabilitate, either wholly or partially, the property which is the subject matter of this lease. It is further agreed that the Government may abandon in place any or all of the

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**1.3.2 Land Off an Airport**

Revised July 2010

OMB Control No. 2120-0595

structures and equipment installed in or located upon said property by the Government during its tenure. Such abandoned equipment shall become the property of the Lessor.

**16. EXAMINATION OF RECORDS (AUG-02):**

The Comptroller General of the United States, the Administrator of FAA or a duly authorized representative from either shall, until 3 years after final payment under this contract have access to and the right to examine any of the Lessor's directly pertinent books, documents, paper, or other records involving transactions related to this contract.

**17. LEASE SUCCESSION (AUG-02):**

This lease supersedes **Lease No. DTFA07-93-L-01203** and all other previous agreements between the parties for the leased property described in this document.

**18. SIGNATURE BLOCK:**

IN WITNESS WHEREOF, the parties hereto have signed their names:

**LESSOR:**

\_\_\_\_\_  
(Signature)  
David Wampler, Mayor  
\_\_\_\_\_  
(Official Title)

Date: September 13, 2011

**UNITED STATES OF AMERICA:**

\_\_\_\_\_  
Teresa Emmons  
  
\_\_\_\_\_  
Real Estate Contracting Officer  
(Official Title)

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

**MUNICIPAL CERTIFICATE**

If agreement is made with a State, County, Municipality or other public authority, the following certificate shall be executed by an authorized official:

I, David Wampler, (name) certify that I am the  
Mayor, (title) of the City of Kerrville  
named in the foregoing agreement; that David Wampler, who signed  
said agreement on behalf of said Public authority and was then Mayor  
of that Public Authority and said agreement was duly signed for and in behalf of said  
corporation by authority of its governing body, and is within the scope of its powers.

\_\_\_\_\_  
(Signature)

**CERTIFICATE OF ACKNOWLEDGMENT**

**STATE OF TEXAS  
COUNTY OF KERR**

On this, the 13th day of September, 2011, before me,  
Brenda G. Craig, a Notary Public in and for the County of Kerr, State of  
Texas duly commissioned and qualified, personally appeared David Wampler,  
known to me to be the person described in, or produced appropriate identification as proof of  
identity, and whose name is subscribed to the attached instrument, and acknowledged to me that  
they executed the instrument for the purposes and considerations therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, at my office  
in the day and year in this certificate first written above.

My Commission Expires: 12-04-2013

\_\_\_\_\_  
Notary Public (Signature)

Brenda G. Craig  
Notary Public (Printed Name)

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**CERTIFICATE OF ACKNOWLEDGMENT**

**STATE OF TEXAS  
COUNTY OF KERR**

On this, the \_\_\_\_\_ day of \_\_\_\_\_, 2011, before me,  
\_\_\_\_\_, a Notary Public in and for the County of Kerr, State of  
Texas duly commissioned and qualified, personally appeared TERESA EMMONS,  
known to me to be the person described in, or produced appropriate identification as proof of  
identity, and whose name is subscribed to the attached instrument, and acknowledged to me that  
she executed the instrument for the purposes and considerations therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, at my office  
in the day and year in this certificate first written above.

My Commission Expires:

\_\_\_\_\_  
Notary Public (Signature)

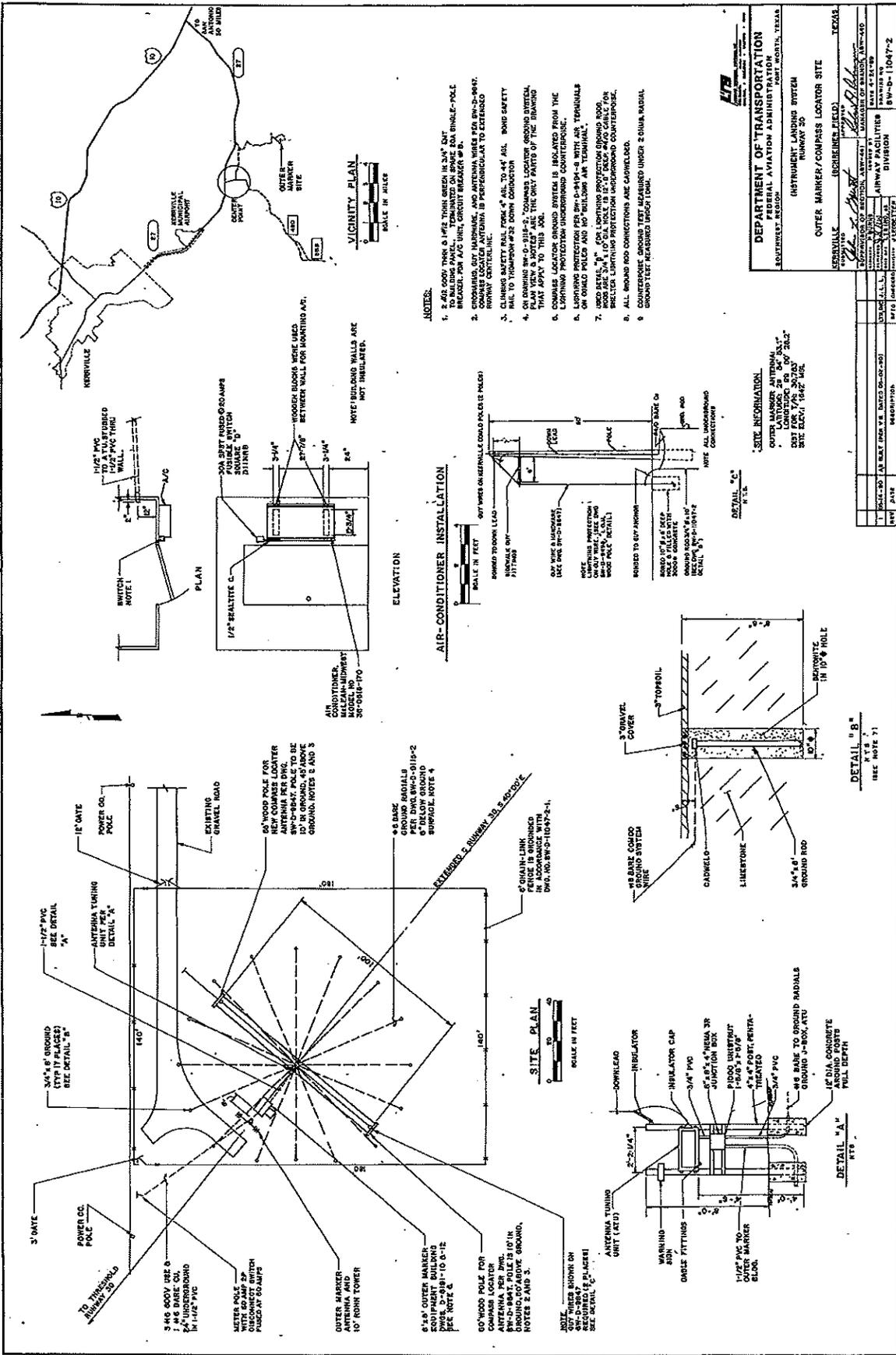
\_\_\_\_\_  
Notary Public (Printed Name)

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**1.3.2 Land Off an Airport**

Revised July 2010

OMB Control No. 2120-0595



- NOTES:**
1. ALL CONDUIT SHALL BE 1/2" THICK BRASS 1/2" DIA. OR EQUIVALENT. USE 1/2" DIA. THIN WALL CONDUIT. SINGLE-POLE BREAKER FOR A/C UNIT, CIRCUIT BREAKER FOR 2-PHASE POWER.
  2. CROSSINGS, GUY WIRING, AND ANTENNA WIRE PER RW-D-8947. COMPASS LOCATOR ANTENNA IS PERPENDICULAR TO EXTENDED RAIL TO THOMPSON #2'S DOWN CONDUCTOR.
  3. CLIMBING SAFETY RAIL PERK-2, 1/2" DIA. GAL. BOND SAFETY RAIL TO THOMPSON #2'S DOWN CONDUCTOR.
  4. ON DRAWING RW-D-818-2, COMPASS LOCATOR GROUND SYSTEM PLAN VIEW & NOTES ARE THE ONLY PARTS OF THE DRAWING THAT APPLY TO THIS JOB.
  5. COMPASS LOCATOR GROUND SYSTEM IS 1/2" DIA. GAL. FROM THE LANDING PROTECTION ENCLOSURE COMPARTMENT.
  6. LANDING PROTECTION PER RW-D-818-2 WITH AIR TERMINALS ON GROUND PILES AND NO "WELLS" AIR TERMINALS.
  7. USED LEVEL, 1/2" DIA. FOR LANDING PROTECTION GROUND ROD. INSULATION LANDING PROTECTION IS 1/2" DIA. GAL. FOR COMPARTMENT.
  8. ALL GROUND ROD CONNECTIONS ARE CAPWELDED.
  9. COMPARTMENT GROUND SYSTEM UNDER 2 OHM RADIAL GROUND TEST MEASURING INSTRUMENT.

**DEPARTMENT OF TRANSPORTATION**  
**FEDERAL AVIATION ADMINISTRATION**  
 AIRPORT FACILITIES DIVISION

PROJECT NO. 10477-2  
 DRAWING NO. 10477-2  
 DATE 4-22-69  
 DRAWN BY [Signature]  
 CHECKED BY [Signature]  
 APPROVED BY [Signature]

PROJECT TITLE: OUTER MARKER/COMPASS LOCATOR SITE  
 AIRPORT: KERRVILLE (FIELD)  
 COUNTY: BROWN, TEXAS  
 STATE: TEXAS

DTFACN-12-1-00074  
 Exhibit "A"

## **Agenda Item:** **(Staff)**

31. Authorization to make application to the Federal Emergency Management Agency (FEMA) Assistance to Firefighters Grant (AFG) for fire and EMS equipment in an amount not to exceed \$326,640 for thirty-five (35) high pressure self contained breathing apparatus, and an amount not to exceed \$74,623 for six (6) powered ambulance cots (stretchers).

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

**SUBJECT:** Approval of grant applications to the Federal Emergency Management Agency (FEMA), Assistance to Firefighters Grant Program (AFG).

**FOR AGENDA OF:** September 13, 2011    **DATE SUBMITTED:** September 2, 2011

**SUBMITTED BY:** Chief Robert Ojeda

**CLEARANCES:** Mike Hayes – City Attorney

**EXHIBITS:**

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** 

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

**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE FINANCE DIRECTOR:**

**SUMMARY STATEMENT**

The City of Kerrville Fire Department requests Council approval to make an application to the Federal Emergency Management Agency, Assistance to Firefighters Grant Program (AFG) for Fire and EMS equipment. The Fire Suppression Division will apply for an amount not to exceed \$326,640 for thirty-five (35) high pressure self contained breathing apparatus, including associated equipment and personal accountability system. The EMS Division will apply for an amount not to exceed \$74,623 for six (6) powered ambulance cots (stretchers) to be used on six of the existing ambulances operated by the Kerrville Fire Department EMS. The AFG requires a ten (10) percent match of the amount of funds requested. The required matching funds will be included in the FY2012 Proposed General Fund Budget.

A program of the Federal Emergency Management Agency, AFG grants are awarded to fire departments, emergency response personnel and first responders throughout the nation to enhance response capabilities and to more effectively protect the health and safety of the first responders and the citizens in their communities. AFG grants provide resources for training, first responder health and safety programs, and response equipment.

Council's approval will designate the Fire Chief as the grantee's authorized official given the authority to apply for, accept, reject, alter or terminate the grant on behalf of the city of Kerrville.

**RECOMMENDED ACTION**

The Fire Chief recommends that council authorize the grant applications for the purchase of equipment for the City of Kerrville Fire Department.

**Agenda Item:**  
**(Staff)**

4A. Public hearing for ad valorem tax rate for tax year 2011/fiscal year 2012.  
(staff)

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

**SUBJECT:** 2<sup>nd</sup> Public Hearing, First Reading of Ordinance – Ad Valorem Tax Rate for 2011

**FOR AGENDA OF:** September 13, 2011    **DATE SUBMITTED:** August 29, 2011

**SUBMITTED BY:** Mike Erwin   
Director of Finance

**CLEARANCES:** Todd Parton  
City Manager

**EXHIBITS:** Ordinance

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** 

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

**REVIEWED BY THE FINANCE DIRECTOR:**

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**SUMMARY STATEMENT**

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

The first public hearing on the tax rate was held August 23, 2011 and this hearing would be the second public hearing on the tax rate.

The attached ordinance will adopt the 2011 tax rate on the final reading, currently scheduled September 27, 2011. The tax rate has two components. The M&O rate for the general operations of the City is proposed at \$0.489 and the I&S rate for the General Fund's debt service is proposed at \$0.0735.

**RECOMMENDED ACTION**

The director of finance recommends that Council hold a public hearing on FY12 proposed budget.

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

**Agenda Item:**  
**(Staff)**

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

**CITY OF KERRVILLE, TEXAS**  
**ORDINANCE NO. \_\_\_\_\_-2011**

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

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

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

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

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

- (A) For the current expenditures of the City of Kerrville and for the general improvement, use and support of the City and its property, there is hereby levied and ordered to be assessed and collected for the fiscal year 2012 on all property situated within the corporate limits of the City, and not exempt from taxation by a valid law, an ad valorem tax rate of \$0.489 on each one hundred dollars (\$100.00) valuation of such property.
- (B) For the purpose of paying principal and interest and providing payments into various debt service funds for each issue of tax supported debt, there is hereby levied and ordered to be assessed and collected for the fiscal year 2012 on all property situated within the corporate limits of the City and not exempt from taxation by a valid law, an ad valorem tax for each issue of debt described in this Section, the sum of such levies being \$0.0735 on each one hundred dollars (\$100.00) valuation of such property.

**SECTION TWO.** The ad valorem taxes levied shall become due on October 1, 2011, and may be paid up to and including January 31, 2012, without penalty, but if not paid, such taxes shall become delinquent on February 1, 2012, provided, however, in accordance with Texas Tax Code §31.03(a), the ad valorem taxes due hereunder may, at the option of the taxpayer, be paid in two

payments without penalty or interest so long as the first payment of one-half of the taxes levied is paid before December 1, 2011, and the remaining one-half is paid before July 1, 2012.

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

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

**PASSED AND APPROVED ON FIRST READING, this the \_\_\_\_ day of \_\_\_\_\_ A.D., 2011.**

**PASSED AND APPROVED ON SECOND AND FINAL READING, this the \_\_\_\_ day of \_\_\_\_\_, A.D., 2011.**

\_\_\_\_\_  
David Wampler, Mayor

ATTEST:

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

APPROVED AS TO FORM:



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

# **Agenda Item:**

(Staff)

4C. Public hearing for fiscal year 2012 budget. (staff)

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

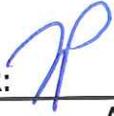
**SUBJECT:** Public Hearing, First Reading of Ordinance to Adopt Budget for FY12

**FOR AGENDA OF:** September 13, 2011    **DATE SUBMITTED:** August 29, 2011

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

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

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** 

Expenditure Required:	Current Balance in Account:	Amount Budgeted:	Account Number:
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**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE FINANCE DIRECTOR:**

**SUMMARY STATEMENT**

The FY12 proposed budget was presented to the City Council in a series of budget workshops beginning on July 23, 2011 and ending August 22, 2011.

The FY12 proposed budget totals \$46,387,429 in revenues and \$44,911,532 in expenditures.

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

**RECOMMENDED ACTION**

The director of finance recommends that Council hold a public hearing on FY11 proposed budget.

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

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

The director of finance recommends approval of the ordinance on first reading to adopt the budget for FY12 as illustrated in Schedules A, B and C.

Proposed to Approved Budget Changes - General Fund 01

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

Proposed to Approved Budget Changes - General Fund 01

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

Proposed to Approved Budget Changes - General Fund 01

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





"SCHEDULE A" - FY 2012	General/Special Revenue Funds											Debt Service Fund		
	General Fund				Special Revenue Funds				Debt Service Fund					
	General	Police Special Program	Insurance Reserve	Main Street	General Asset Replace.	Landfill Closure	Landfill Post-Closure	Hotel Tax	HOT Reserve	Parkland Dedication	History Center	Library Memorial	Grant Fund	General Debt
Available Fund Balance - FY 10 CAFR	\$2,639,253	\$92,144	\$144,687	\$6,196	\$150,292	\$152,858	\$701,620	\$622,781	\$107,728	\$652,009	\$21,974	\$114,793	\$414,494	\$1,073,665
FY 11 Budgeted Use of Fund Balance	\$0	\$10,000	\$51,771	\$0	\$0	\$66,062	\$5,514	\$0	\$0	\$0	\$0	\$2,520	\$414,494	\$0
FY 12 Est. Beginning Available Fund Balance	\$2,639,253	\$82,144	\$92,916	\$6,196	\$150,292	\$86,796	\$696,106	\$622,781	\$107,728	\$652,009	\$21,974	\$112,273	\$0	\$1,073,665
Revenues														
Property Tax	\$7,900,000													\$1,207,450
Sales Tax	\$4,550,000								\$885,000					\$15,000
Other Taxes	\$1,951,600									\$19,000				
Permits & Fees	\$323,980													
Intergovernmental	\$1,173,000	\$0	\$0	\$0	\$0	\$0								
Services	\$2,571,246	\$7,500			\$40,275	\$0			\$0			\$1,475	\$0	\$0
Grants	\$26,500													
Fines & Forfeitures	\$488,310													
Interest & Miscellaneous Transfers In	\$217,770	\$21,000	\$50,000	\$32,300	\$300	\$383,920	\$39,402	\$275,433	\$215	\$2,000	\$500	\$12,225	\$37,000	\$2,147
Planned Use of Fund Balance	\$1,250,000	\$0	\$0	\$0	\$300,000	\$0	\$0	\$0	\$55,000	\$0	\$0	\$0	\$0	\$82,135
Total Revenues	\$20,452,406	\$38,500	\$142,916	\$32,300	\$300,300	\$439,989	\$39,402	\$275,433	\$910,215	\$57,000	\$19,500	\$15,845	\$37,000	\$1,306,732
Expenditures														
General Non-Departmental	\$492,135													
City Council	\$7,091													
City Secretary	\$143,983													
City Attorney	\$255,525													
City Administration	\$353,224													
Human Resources	\$287,876													
Finance	\$339,750													
Information Technology	\$599,235													
Municipal Court	\$306,495													
KSP	\$372,894													
Police	\$4,728,580													
Fire Marshal	\$3,662,993													
EMS	\$101,305													
Planning	\$2,494,302													
Building Inspections	\$237,702													
Code Compliance	\$314,000													
Business Programs	\$185,029													
Tennis Center	\$175,386													
Pool	\$30,300													
Parks Maintenance	\$100,137													
Recreation	\$738,277													
Engineering	\$145,586													
Public Works	\$365,493													
Library	\$1,860,000													
General Operations	\$653,144													
Water/Sewer Non-Depart.	\$1,101,691													
Water Records														
Utility Administration														
Water Production														
Utility Construction														
Utility Information Sys														
Wastewater														
Utility Laboratory														
Water/Sewer Gen Ops.														
Garage - Non-Department.														
Garage														
Employee Benefit Trust Fund		\$30,225												
Police Special Programs														
Parkland Dedication										\$0				
Flexible Spending														
Kerrville-Schreiner Park														
Golf Course - Non-Dept.														
Golf Course - Maintenance														
Golf Course - Pro Shop														
Library Memorial												\$37,000		
HOT Reserve									\$55,000					
General Asset Replace.					\$300,000									
Water/Sewer Asset Replace.														
Hotel Occupancy Tax								\$910,000						
Landfill/Recycling						\$439,989								
Landfill Closure							\$5,000							
Landfill Post Closure								\$0						
Economic Improvement														
Economic Improve. Debt														
Airport Terminal														\$1,259,197
General Fund Debt														
Water and Sewer Debt														
433 Water Street											\$15,845			
History Center														
General CIP														
Water and Sewer CIP														
Grant Fund														\$0
Insurance Reserve			\$50,000											
Main Street				\$4,300										
Main Street - Promotions				\$27,500										
Total Expenditures	\$20,052,133	\$30,225	\$50,000	\$31,800	\$300,000	\$439,989	\$5,000	\$0	\$910,000	\$55,000	\$0	\$15,845	\$37,000	\$1,259,197
Excess (Deficiency) of revs. vs. exps.	\$400,273	\$8,275	\$92,916	\$500	\$300	\$0	\$34,402	\$275,433	\$215	\$2,000	\$19,500	\$0	\$0	\$47,535
FY 12 Est. Ending Balance	\$3,039,525	\$80,419	\$92,916	\$6,696	\$150,592	\$71,002	\$730,508	\$898,214	\$107,944	\$599,009	\$41,474	\$110,128	\$0	\$1,121,200
FY 12 Fund Balance	\$3,342,022	\$5,038	\$8,353	\$5,300	\$50,000	\$73,332	\$833	\$0	\$151,667	\$9,167	\$0	\$2,641	\$6,167	\$209,866
Fund Balance														
Over/(Under) Reserve of 2 months														
FY 12 Est. Inc/(Dec) in Fund Balance	-\$302,497	\$75,382	\$84,583	\$1,396	\$100,592	-\$2,329	\$729,675	\$898,214	-\$43,723	\$589,842	\$41,474	\$107,487	-\$6,166	\$911,334



Schedule B

Fund 70

S/L Project Number	Project Line Item Number	Project Name	Funding Sources			Cash Funded To Date	Project Expense To Date	Cash Balance To Date	Bond Issuance Date	Unspent Bond Proceeds
			General Fund	EIC Fund	Other Funds					
G27	70-07067	River Trail Phase 1	37,500.00		25,000.00		73,154.42	451,845.58	2002	426,845.58
G65	70-07065	Facilities Master Plan	55,000.00		62,500.00		77,007.81	22,992.19		
G70	70-08001	Burleson St Drainage			20,000.00		53,427.10	301,572.90	2009	246,572.90
G74	70-09012	Lytile Park			30,000.00		126,501.27	22,872.80	2009	0.00
G74	70-09011	Carver Park			143,177.05		137,101.45	0.00		
G74	70-08005	Park Improvements					137,101.45	0.00		
G78	70-08008	Salvation Army Stework					764,258.59	137,741.41		
G79	70-09001	Cops Tech Grant					350,632.93	0.00		
G80	70-09002	HSGP Grant-Communication		50,648.00			178,389.09	0.00		
G81	70-09003	HSGP Grant-Operations Ctr		23,782.00			23,041.47	0.00		
G82	70-09004	GIS Aerial Photo & Plain					89,944.71	30,055.29		
G83	70-09005	Oak Hollow Drainage					394,999.99	0.01	2009	0.01
G84	70-09006	Remedial Drainage Program					123,750.91	376,249.09	2009	376,249.09
G86	70-09008	Safe Routes to School - Easement	1,000.00			3,092,902.00	458,771.99	-9,614.97		
G86	70-11001	Safe Routes to School - Construction						0.00		
G87	70-09009	Rivertrail Phase 2 & 3					9,683.63	0.00		
G88	70-09010	Administrative Facilities - New City Hall			916,764.00		81,214.13	2,038,019.23	2009	2,018,785.87
G95	70-11001	Library Renovation			585,000.00		181,188.99	1,983,811.01		
G96	70-11002	Library Furniture			200,000.00			0.00		
						6,437,630.92	3,247,086.36	5,355,544.54		3,068,453.45

Fund 71

G/L Project Number	Project Line Item Number	Project Name	Approved Project Budget				Funding Sources				Project Cash		Project Expense		Project Cash		Bond Issuance		Unspent Bond Proceeds		
			W/S Fund	E/C Fund	Other Funds	IXDOJ Grants	Bonds	W/S Fund	E/C Fund	Other Funds	IXDOJ Grants	Bonds	Funded To Date	To Date	Project Expense To Date	To Date	Cash Balance To Date	To Date	Bond Issuance Date	Bond Proceeds	
W01	71-10010	ASR Well #3	1,347,908.00	44,908.00			1,303,000.00					1,347,908.00	457,719.98	890,188.02	2002	845,280.02					
W27	71-11727	Hwy 16 Utility Relocation	1,968,858.78	200,000.00	716,016.05		1,113,258.10					2,045,100.00	1,797,584.09	247,515.91	2007	63,938.03					
		(Amended 6/16/11 - \$16,448.67 from W63; \$63,938.03 from W53; \$6,061.97 from W85; \$133,065.68 from W91)					95,000.00					31,061.97	31,061.97	0.00	2010	133,065.65					
W53	71-11753	High Service Pump-Cleanwell	170,000.00	75,000.00																	
		(Amended 6/16/11 - moved to W27)																			
W61	71-07005	Replace Motor Control	603,213.00	150,000.00			266,000.00					603,213.00	535,005.37	68,207.63							
W63	71-07008	Belt Filter Replacement	655,700.00	10,000.00			595,700.00					639,251.33	639,251.33	0.00							
		(Completed 5/20/11 - balance \$16,448.67 move to W27)																			
W65	71-07007	Water Supply Acquisition	180,665.00	95,665.00								130,665.00	84,036.47	46,628.53							
W67	71-08001	Meter Replacement	2,733,795.00	533,795.00			2,200,000.00					2,733,795.00	2,657,099.49	76,695.51	2010	-					
W70	71-08005	High Service Pump-River Hill	380,000.00				380,000.00					380,000.00	88,671.01	291,328.99	2008	291,328.99					
W74	71-09001	Lois St. Sewer Main	450,000.00	50,000.00			400,000.00					0.00	0.00	0.00							
		(Amended 9/28/10 - project closed)																			
W75	71-09002	Birkdale Lift Station	730,000.00				730,000.00					730,000.00	463,597.12	266,402.88	2009	266,402.88					
W76	71-09003	Equipment Storage	550,000.00	100,000.00			450,000.00					535,329.93	535,329.93	14,670.07	2009	-					
W78	71-09005	I & I Construction 2009	1,400,000.00				654,604.28					653,710.18	653,710.18	894.10	2009	894.10					
W78	71-10011	I & I Phase 2 Engineering 2010					700,000.00					700,000.00	0.00	700,000.00	2010	700,000.00					
W78	71-10008	I & I 2011	700,000.00				700,000.00					700,000.00	0.00	700,000.00	2011	700,000.00					
		(10/01/10 moved \$45,395.72 to E31)																			
W80	71-09007	WTP Improvements-Cleanwell	414,000.00				214,000.00					214,000.00	179,470.80	34,529.20	2009	34,529.20					
W82	71-09009	Production Well-Methodist Enc	757,057.00				215,000.00					1,300,057.00	103,942.56	1,196,114.44	2010	111,057.44					
W83	71-10001	College Cove	100,000.00	100,000.00								196,999.00	196,999.00	0.00							
		(Completed)																			
W85	71-10003	New Shop/UTC	215,000.00	215,000.00								15,565.00	15,565.00	0.00							
		(Amended 6/16/11 - close project - \$39,127.82 - W93; \$100,000.00 Reg. Water Planning Grant; \$54,245.21 Reg WW Grant; \$6,061.97 W27)																			
W86	71-10004	Recor Road @ WWTP	20,000.00	20,000.00								20,000.00	20,000.00	0.00							
W90	71-10008	12" Water Line/Glen Rd	575,000.00				575,000.00					575,000.00	460,522.30	114,477.70	2010	114,477.70					
W91	71-10009	SH 27 Fireflow Improvement	150,000.00				16,934.32					16,934.32	16,934.32	16,934.32	2010	16,934.32					
		(Amended 6/16/11 - \$133,065.68 W27)																			
W92	71-11001	Jefferson Lift Station	100,000.00									100,000.00		100,000.00							
W93	71-11002	Ridgewood Transmission Line	100,000.00									100,000.00	9,772.06	90,227.94							
		(Amended 6/16/11 \$39,127.82 from W85; \$16,934.15 from W91; \$43,938.03 fund balance 71)																			
W94	71-11003	Regional Water Plan Grant	100,000.00									100,000.00		100,000.00							
W95	71-11004	Regional Wastewater Grant	100,000.00									100,000.00		100,000.00							
W96	71-11005	Birkdale Lift Station/Force Main	4,866,000.00				4,866,000.00					4,866,000.00		4,866,000.00	2011	4,866,000.00					
W97	71-11006	Force Main Coomingle	305,000.00				305,000.00					305,000.00		305,000.00	2011	305,000.00					
W98	71-11007	G Street Interceptor	308,000.00				308,000.00					308,000.00	2,514.35	305,485.65							

19,980,196.78	18,763,153.90	8,919,566.60	10,531,300.89	3,277,908.53
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Fund 75

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

G/L Cash Balance Fund 75 on: 8/19/11

873,680.27



## **Purpose.**

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

## **Annual budget.**

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

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

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

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

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

## **City Council Action on Budget.**

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

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

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

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

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

## **Budget.**

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

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

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

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

## **Appropriation and Revenue Ordinances.**

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

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

## **Amendments after Adoption.**

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

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

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

**Transfer of Appropriations.** At any time during or before the fiscal year, the City Council may by resolution transfer part or all of the unencumbered appropriation balance from one department, fund, or organizational unit to the appropriation for other departments or organizational units or a new

appropriation. The manager may transfer funds among programs within a department, fund, or organizational unit and shall report such transfers to the Council in writing in a timely manner,

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

### **Independent Audit.**

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

### **Basis of accounting and budgeting.**

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

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

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

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

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

### **Budget administration.**

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

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

## **Financial reporting.**

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

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

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

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

## **Revenues.**

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

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

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

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

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

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

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

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

## **Operating expenditures.**

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

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

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

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

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

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

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

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

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

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

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

### **Fund balance.**

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

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

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

### **Fund transfers.**

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

## **Debt expenditures.**

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

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

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

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

## **Capital project expenditures.**

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

Capital projects will be constructed to:

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

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

## **Utility capital expenditures.**

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

## **Long-term financial plans.**

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

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

## **Facility construction; best value methods for entering into contract.**

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

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

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

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

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

**Reserved.**

**Agenda Item:**  
**(Staff)**

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

**CITY OF KERRVILLE, TEXAS  
ORDINANCE NO. 2011-\_\_\_\_\_**

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

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

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

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

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

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

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

**SECTION THREE.** The provisions of this Ordinance are to be cumulative of all other ordinances or parts of ordinances governing or regulating the same subject matter as that covered herein; provided, however, that all prior ordinances or parts of ordinances inconsistent with or in conflict with any of the provisions of this Ordinance are hereby expressly repealed to the extent of any such inconsistency or conflict.

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

**PASSED AND APPROVED ON FIRST READING, this the \_\_\_\_\_ day of \_\_\_\_\_, A.D., 2011.**

**PASSED AND APPROVED ON SECOND AND FINAL READING, this the \_\_\_\_\_ day of \_\_\_\_\_, A.D., 2011.**

\_\_\_\_\_  
David Wampler, Mayor

ATTEST:

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

APPROVED AS TO FORM:

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

**Agenda Item:**  
**(Staff)**

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

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

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**SUBJECT:** Discuss and Possible Action on the City's Sign Ordinance

**FOR AGENDA OF:** Sept. 1, 2011

**DATE SUBMITTED:** Sept. 13, 2011

**SUBMITTED BY:** Kevin Coleman *KC*

**CLEARANCES:** Kristine Ondrias *KO*

**EXHIBITS:** Potential Definition Changes  
Worksheet – Electronic Message Centers  
Outline Of Potentially Distracting Signs and Proposed Amendments

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** *[Signature]*

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

**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE FINANCE DIRECTOR:**

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**BACKGROUND**

The City's sign ordinance is meant to create a balance between the community goal of restricting unfettered use, placement and size of commercial signage, thus insuring allowed signage does not create visual pollution or traffic safety hazards, while protecting property owner options to advertise their business. Generally, the Kerrville sign ordinance is fairly non-restrictive, allowing business owners the ability to sign their buildings in multiple ways, while restricting the signage allowed along property frontages and rights of way and in residential areas. The end result is ample opportunity to promote business locations, while providing protection from visual nuisances and traffic obstructions along rights of way.

The ordinance was adopted in 1985, and has been amended ten times since adoption. Demands from new technologies in the industry, innovative sign design, creative sign placement by property owners and a blurring of the ordinance by multiple variances have lessened the effectiveness of the existing ordinance.

Over the past few months, a number of representatives of the sign industry and their potential clients have discussed with staff an apparent gap in the ordinance's application to electronic, intermittent message centers.

The relevant elements of the ordinance are as follows:

Ordinance 2002-07 prohibited:

*"Signs which utilize flashing lights, moving lights, or traveling lighted messages, except for time and temperature."*

This section was amended by Ordinance 2006-08 to prohibit:

*"Signs which utilize flashing or moving lights*

*Said amendment shall have the effect of allowing signs which utilize traveling lighted messages."*

Subsequently, Ordinance 2008-20 defined, and then prohibited electronic signs as follows:

*"Electronic Sign: A sign that utilizes a screen for the display of an electronically generated image or message via either internal illumination of the screen or external projection onto the screen, such as but not limited to Light Emitting Diodes (LED) or other digital or electronic technology, that allows intermittent change of the message or display."*

Together, these amendments allow signs that utilize traveling lighted messages, but specifically prohibit signs that utilize flashing lights, moving lights, signs that utilize a screen for display and signs that use technology that allows intermittent change of the message or display by electronic signal.

### **CITY COUNCIL CONSIDERATION**

Under this agenda item, staff requests Council consideration on the following questions:

- (1) Based on the need to prevent visual nuisances and traffic obstructions, should the current restrictions and allowances be continued?

If yes, staff will bring back ordinance language that clarifies the definition of an electronic sign so that it better meets current technology, but continues to prohibit their use.

- (2) Based on the need to prevent visual nuisances and traffic obstructions, should the ordinance be strengthened to prohibit future use of traveling message boards in a similar manner to other flashing signs and signs with electronic screened images?

If yes, staff will bring back ordinance language that clarifies both the definition of an electronic sign and the definition of a traveling lighted message board, so that the ordinance reflects demands from current technology, and prohibits the future use of both types of signs.

- (3) Based on the need for business owners to promote their locations, while providing protection from visual nuisances and traffic obstructions, should the ordinance allow both traveling message board and other electronic signs, but restrict their location, size and operation?

If yes, staff will bring back ordinance language that clarifies both the definition of an electronic sign and the definition of a traveling lighted message board, while adopting restrictions governing size, location and operation of both types of signs. It

is important to note that if new restrictions are adopted, existing signs that do not meet size and location restrictions can stay in place as legal, but nonconforming signs, however all signs existing or future, would need to meet any operational restrictions.

- (4) Finally, are there other sections of the ordinance that Council would like to address at this time based on potential visual nuisances and/or traffic obstructions? Sign types discussed in the past include the use of feather flags, banners, stationary or movable inflatables, and stationary vehicles /trailers used as signs.

### **BACKGROUND**

The first attachment presents potential definition changes for flashing signs, electronic message centers, and variable electronic message centers.

The second attachment presents a worksheet that lists typical locational and operational controls placed on flashing lights, traveling message boards and other electronic message centers. The list is derived from TXDoT standards, best practices of others cities and staff's ability to enforce operational issues. In review of other cities, staff has found that they have fallen on both sides of the fence in this issue. Some prohibit all electronic message centers that flash, change message or travel for traffic safety and public nuisance reasons. Other cities have distinguished electronic message boards from other flashing signs and allowed their use. Most cities that allow the electronic signs have adopted some level of control of their use to mitigate potential nuisance and traffic safety concerns.

The third attachment presents a recap of other signs types and draft amendments to the sign ordinance to better, define either the sign type or the restrictions that apply to the use of those signs.

### **RECOMMENDED ACTION**

Hear report and give direction as needed.

## Potential Definition Changes

Flashing Sign – to replace existing definition

A sign that utilizes flashing, blinking, and rotating lights or lights that change in color or intensity.

Electronic Message Center – to replace current definition for traveling lighted messages

A sign that uses light, whether independent, from or onto a screen, or from a video display board to create words where the messages travels, but the rate of change, color or intensity of the message is electronically programmed to stay constant.

Variable Electronic Message Center - to replace current definition for electronic signs

A sign that uses light whether independent, from or onto a screen, or from a video display board, to create words, symbols or images where the image changes in color or intensity.

<u>Worksheet - Electronic Message Centers</u>	<u>Current Definitions and Restrictions</u>	<u>Flashing Signs</u>	<u>Traveling Lighted Message Boards</u>	<u>Electronic Signs</u>	<u>Proposed Definitions and Restrictions</u>	<u>Flashing Signs</u>	<u>Electronic Message Centers</u>	<u>Variable Electronic Message Center</u>
	<u>Restrictions based on potential nuisance</u>							
	Prohibited within 100 feet of residential zone or use	Yes	No	Yes		Yes	Yes	Yes
	Prohibited in CBD	Yes	No	Yes		Yes	Yes	Yes
	Prohibited as wall or window signs	Yes	No	Yes		Yes	Yes	Yes
	Prohibited as off premise or roof signs	Yes	No	Yes		Yes	Yes	Yes
	<u>Restrictions to mitigate nuisance</u>							
	Maximum allowed square footage per location	N/A	None	N/A				
	Maximum allowed percentage of total free standing signage					N/A	32	32
	Restricted as part of a free standing sign if not along TXDoT ROW					N/A	30%	30%
	Restricted w/in 100 feet of a signalized intersection					N/A	Yes	Yes
	Minimum distance separation between signs					N/A	Yes	Yes
	<u>Restriction on usage/functionality based on public/traffic safety</u>							
	Intensity of lite in lumen/foot-candles							
	Hours of operation - general					N/A	0.2 foot candles	0.2 foot candles
	Hours of operation - w/in 200 feet of residential zone					N/A	6 am to midnight	6 am to midnight
	Message duration/hold					N/A	Dawn until Dusk	Dawn until Dusk
	Message transition interval					N/A	N/A	8 sec min
						N/A	N/A	1 sec max

## OUTLINE OF POTENTIALLY DISTRACTING SIGNS AND PROPOSED AMENDMENTS

### Sec. 6-32. Definitions

13) Sign *flag*, means a rectangular piece of fabric of distinctive design bearing the official symbol of a nation, state or other governmental or business, and which is not permanently affixed to a sign support

#### **Change to:**

13) Sign *flag*, means a rectangular piece of fabric of distinctive design (***whose horizontal width is greater than its vertical height***) bearing the official symbol of a nation, state or other governmental or business entity, and which is not permanently affixed to a sign support

### Sec. 6-32. Definitions

(32) Sign, *unattached*, means any sign which is carried, wheeled or moved about without having to detach the sign from a secure anchoring device which is set in the ground or to a building which is set on an approved foundation; or, any sign which is not secured in a manner approved by the city building department and designed to withstand wind pressures as specified in Section 1205 of the Standard Building Code adopted by the city. Such signs are considered to be unattached as they can reasonably be expected to be blown about in high winds which may cause injuries to pedestrians and traffic safety hazards. Such signs include portable signs, A-frame signs, and sandwich signs, However, realty signs, individual contractor signs, and political election signs which are six square feet in area or less are not included in this definition, nor are signs intended for temporary use for safety reasons due to construction, dangers, traffic control, or government or community service signs which are deemed necessary to inform the public.

#### **Change to:**

(32) Sign, *unattached*, means any sign which is carried, wheeled or moved about without having to detach the sign from a secure anchoring device which is set in the ground or to a building which is set on an approved foundation; or, any sign which is not secured in a manner approved by the city building department and designed to withstand wind pressures as specified in Section 1205 of the Standard Building Code adopted by the city. Such signs are considered to be unattached as they can reasonably be expected to be blown about in high winds which may cause injuries to pedestrians and traffic safety hazards. Such signs include portable signs, A-frame signs, ***hand held signs, inflatable signs, on premise snipe signs***, and sandwich signs, However, realty signs, individual contractor signs, and political election signs which are six square feet in area or less are not included in this definition, nor are signs intended for temporary use for safety reasons due to construction, dangers, traffic control, or government or community service signs which are deemed necessary to inform the public.

### Sec. 6-33. Signs exempted from certain regulations.

(8) Flags or pennants attached to a building, but which are not extended over parking lots or other open areas, nor in any manner are supported apart from the building. Also exempted are flags, not to exceed six in number, mounted on poles which are governmental flags, or flags carrying the emblem of the business located on the same building lots. In no case shall any one flag exceed 50 square feet in size.

#### **Change to:**

(8) Flags or pennants attached to a building, but which are not extended over parking lots or other open areas, nor in any manner are supported apart from the building. Also exempted are ***pole mounted*** flags, not to exceed six in number, which are governmental flags, ***however not more than one of which may be a flag*** carrying the emblem of the business located on the same building lots. In no case shall any one flag exceed 50 square feet in size.

## OUTLINE OF POTENTIALLY DISTRACTING SIGNS AND PROPOSED AMENDMENTS

### Sec. 6-34. Prohibited signs

(10) Motor vehicles or trailers whose primary purpose is as a permanent advertising device. These shall not include the placement of wagons that are of a type that once were drawn by animals and are placed upon property for historic or landscaping purposes, provided that no signs are placed thereon.

#### **Change to:**

(10) Motor vehicles or trailers ***operable or non operable legally licensed/ tagged or not, which contain signs as defined and is used*** as an advertising device. These shall not include the placement of wagons that are of a type that once were drawn by animals and are placed upon property for historic or landscaping purposes, provided that no signs are placed thereon.

### Sec. 6-35. Signs permitted by zone.

All of the signs listed within this section shall be required to meet the standards of this article, and, except for banner signs, shall require a permit be obtained from the building official.

(3) The following signs shall be permitted in all zoning districts except district 7-W, 8-W, 13-C, 34-S, 35-S, R-1, R-1A, R-3, RM, RC, RT or PI: f. Banner signs, if and only if:

1. The entire banner sign covers portions of (i) the outside wall of any building, or (ii) a wall or fence which is built along the perimeter of the property, or along the perimeter of a substantial part of such property.
2. The entire square footage of banner signs at one business location shall not exceed 80 square feet.
3. The banner is, and remains in good condition and without torn, or tattered portions.

#### **Change to:**

### Sec. 6-35. Signs permitted by zone.

All of the signs listed within this section shall be required to meet the standards of this article, and, shall require a permit be obtained from the building official.

(3) The following signs shall be permitted in all zoning districts except district 7-W, 8-W, 13-C, 34-S, 35-S, R-1, R-1A, R-3, RM, RC, RT or PI:

f. Banner signs, if and only if:

1. The entire banner sign covers portions of (i) the outside wall of any building, or (ii) a wall or fence which is built along the perimeter of the property, or along the perimeter of a substantial part of such property, ***however cannot be placed in the required front setback of a property.***
2. The entire square footage of banner signs at one business location shall not exceed 80 square feet.
3. The banner is, and remains in good condition and without torn, or tattered portions.
4. The banner ***shall be permitted for a ninety day period***

**Agenda Item:**  
**(Staff)**

5B. Interlocal agreement between the City of Kerrville and Kerr County regarding airport operation and supporting budget. (staff)

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

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

**FOR AGENDA OF:** Sept. 13, 2011      **DATE SUBMITTED:** Sept. 9, 2011

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

**EXHIBITS:** Airport Operational Plan – Option A  
Airport Operational Plan – Option B

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** 

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

**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE FINANCE DIRECTOR:**

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**SUMMARY STATEMENT**

Discussions between representatives of the city and county have not resulted in a revised or new interlocal agreement for airport operations. The current agreement will terminate at on October 1, 2011. Even though the agreement terminates the city and county need to devise a plan to continue operations.

State grants have been used to fund capital improvements over the past several years. Pursuant to those grants both parties have agreed to provide and maintain specific airport functions. A review of these agreements shows that the following operational requirements must be met:

1. Maintain an Airport Manager – the means is not specified and this can be an in-house employee or contracted out;
2. Fuel Sales Must be Offered at the Airport – the FBO covers this function;
3. Keep the Facility Open to all Aircraft that the Airport is Certified to Accept – the FBO handles all incoming and outgoing traffic;
4. Maintain Low Level Lighting from Sunup to Sundown – the airport is adequately lighted and the lighting will need to be maintained;
5. Implement a Pavement Management System – the county currently provides maintenance of the existing pavement; and
6. Maintain All Items Funded Through the Grant in an Appropriate Functional

Manner – this is routine maintenance the majority of which is currently handled by the FBO or is contracted to others for items like mowing.

City staff has worked to identify the operational functions that need to be addressed in addition to the grant funding commitments. Staff has prepared two scenarios, each with a corresponding budget, that provides for the continuation of all necessary airport functions on an interim basis until a new agreement can be negotiated between the city and county. These options include plans to address the additional functions listed below:

- a. Maintain Insurance,
- b. Coordinate the Ongoing Airport Master Plan Project,
- c. Maintain Existing Facility Services Contracts,
- d. Maintain Legal Services,
- e. Manage Leases and Contracts,
- f. Handling Accounts Receivable/Accounts Payable Functions,
- g. Manage RAMP Grant (this is for regular maintenance of infrastructure),
- h. Building Maintenance,
- i. Budget Management,
- j. Project Management, and
- k. Maintain Communications Services.

The exhibits to this document include Options A and B. Option A is a scenario that keeps overall management of the airport with the county and Option B is a scenario that keeps overall management of the airport with the county. Both options represent significant cost savings for both the city and county.

Both of these concepts assume consistency with the capital funding components of the current agreement. Both parties would contribute half of the cost to cover capital projects and RAMP contributions. Kerrville has already allocated \$50,000 towards the RAMP program, which covers the city's half of the expenses for the next two years.

#### **RECOMMENDED ACTION**

City staff recommends that the City Council accept Option A and the supporting budget on an interim basis.

**Airport Operational Plan – Option A**  
**Kerr County Assumes Management Oversight of the Airport**

Under this concept the county would designate an individual to serve as an interim airport manager until such time that a new agreement has been negotiated.

Function	Lead Agency	
	City	County
Approve Airport Budget	✓	✓
Provide Insurance	✓	
Legal Services		✓
Finance Services		✓
IT Services		✓
Telephone Services		✓
Project Management	✓	
RAMP Grant	✓	
Engineering Services	✓	
General Maintenance		✓
Pavement Maintenance		✓
General Management		✓
Cash Contribution	\$ 37,500	\$ -
Airport Allocation	\$ -	\$ 100,000

<b>TOTAL BUDGET REVENUE</b>	<b>\$254,403</b>
<b>TOTAL BUDGET EXPENSES</b>	<b>\$241,820</b>
<b>REVENUES LESS EXPENSES</b>	<b>\$12,583</b>

KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD - OPTION A

BUDGET COMPARISON FOR 2006 - 2012

9/9/2011 1	2006	2007	2008	2009	2010	2011 Budget Approved	2011 YTD Actual Thru 5/31/11	2012 Proposed	City Recommendations	City Recommendations	90911 City Recommendations
<b>Revenues</b>											
<b>47-AIRPORT</b>											
INTERGOVERNMENTAL REVENUE											
47-300-602 KERR COUNTY	268,400	195,249	189,334	262,000	601,850	306,497	158,524	175,000	106,000	106,000	-
47-300-603 KERRVILLE	274,012	195,249	188,334	262,000	391,732	0	250	175,000	106,000	106,000	37,500
47-300-604 GRANTS	0	0	0	0	0	0	0	0	0	0	0
47-300-606 TX DOT REIMBURSEMENT	33,643	3,991	0	0	0	0	0	0	0	0	0
<b>TOTAL INTERGOVERNMENTAL REVENUE</b>	<b>566,055</b>	<b>394,489</b>	<b>378,668</b>	<b>524,000</b>	<b>993,582</b>	<b>306,497</b>	<b>158,774</b>	<b>350,000</b>	<b>212,000</b>	<b>212,000</b>	<b>37,500</b>
LEASE/RENTAL INCOME											
47-325-301 AIRPORT LAND LEASES	105,895	110,592	105,503	94,940	102,318	128,050	74,619	108,884	108,884	108,884	108,884
47-325-602 TERMINAL LEASES	0	7,144	14,141	14,354	12,206	13,145	9,515	15,361	15,361	15,361	15,361
47-325-603 T-HANGAR LEASES	48,900	43,600	48,250	44,438	43,644	44,000	35,250	52,400	52,400	52,400	52,400
47-325-604 VEHICLE RENTAL SURCHARGE	3,525	3,808	3,951	3,187	3,165	3,500	2,327	3,528	3,528	3,528	3,528
47-325-605 T-HANGAR STORAGE FACILITY LEASES	1,975	1,321	1,320	1,320	2,737	1,300	0	1,320	1,320	1,320	1,320
<b>TOTAL LEASE/RENTAL INCOME</b>	<b>161,294</b>	<b>166,465</b>	<b>171,164</b>	<b>188,239</b>	<b>164,070</b>	<b>189,995</b>	<b>121,711</b>	<b>181,493</b>	<b>181,493</b>	<b>181,493</b>	<b>181,493</b>
REIMBURSEMENT											
47-350-601 FUEL FLOW FEES	27,835	38,712	39,427	32,969	30,132	36,000	21,505	35,310	35,310	35,310	35,310
47-350-602 OTHER	0	0	0	0	0	0	86	0	0	0	0
<b>TOTAL REIMBURSEMENT</b>	<b>27,835</b>	<b>38,712</b>	<b>39,427</b>	<b>32,969</b>	<b>30,132</b>	<b>36,000</b>	<b>21,591</b>	<b>35,310</b>	<b>35,310</b>	<b>35,310</b>	<b>35,310</b>
INTEREST INCOME											
47-390-601 INTEREST INCOME	14,631	7,425	6,404	2,639	2,651	100	96	100	100	100	100
<b>TOTAL INTEREST INCOME</b>	<b>14,631</b>	<b>7,425</b>	<b>6,404</b>	<b>2,639</b>	<b>2,651</b>	<b>100</b>	<b>96</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
TRANSFER IN											
47-390-601	0	378,000	0	0	0	0	0	0	0	0	0
47-390-610	0	50,000	0	0	95,249	0	0	0	0	0	0
<b>TOTAL TRANSFER IN</b>	<b>0</b>	<b>428,000</b>	<b>0</b>	<b>0</b>	<b>95,249</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>*** TOTAL REVENUES ***</b>	<b>765,815</b>	<b>1,035,091</b>	<b>593,664</b>	<b>717,847</b>	<b>1,285,693</b>	<b>532,592</b>	<b>302,173</b>	<b>566,903</b>	<b>428,903</b>	<b>428,903</b>	<b>254,403</b>

KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD

BUDGET COMPARISON  
FOR 2006 - 2012

9/9/2011 2

Expenses	2006		2007		2008		2009		2010		2011		2012		City		City	
	Actual		Actual		Actual		Actual		Actual		YTD Actual Thru 5/31/11	Budget Approved*	Proposed	Recommendations	Recommendations			
<b>SALARIES &amp; BENEFITS</b>																		
47-700-101	0		0		0		71,000		76,000		53,333	80,000	84,000		80,000			
47-700-102	0		0		0		20,908		23,494		16,792	23,054	26,317		23,054			
47-700-104	0		0		0		0		0		0	0	0		0			
47-700-205	0		0		0		0		0		0	0	0		0			
800-003	0		0		0		0		0		0	0	0		0			
800-004	0		0		0		0		0		0	0	0		0			
47-700-201	0		0		0		7,003		7,611		5,349	8,037	8,459		8,037			
800-005	0		0		0		0		0		0	0	0		0			
47-700-203	0		0		0		9,296		10,964		7,690	11,566	12,587		11,566			
47-700-202	0		0		0		7,996		8,063		5,240	15,720	26,200		20,000			
47-700-204	0		0		0		7,594		8,063		1,638	7,594	2,599		2,599			
<b>TOTAL SALARIES &amp; BENEFITS</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>116,203</b>		<b>126,122</b>		<b>90,043</b>	<b>147,971</b>	<b>160,142</b>		<b>147,256</b>			<b>0</b>
<b>AIRPORT</b>																		
47-800-008	0		0		0		5,957		5,070		2,971	10,000	7,500		2,500			
47-800-009	0		0		0		67		235		221	600	600		300			
47-800-010	9,403		50,083		17,314		5,573		0		30,000	30,000	25,000		10,000			10,000
47-800-101	604		1,140		3,840		2,894		2,160		654	2,000	2,000		2,000			1,000
47-800-102	528		156		1,741		401		523		1,000	1,000	4,100		2,000			1,000
47-800-103	6,586		4,992		6,901		2,516		3,919		33	4,000	4,000		4,000			4,000
47-800-104	0		0		0		490		514		2,204	1,340	5,000		4,000			4,000
47-800-105	0		43		585		-217		903		42	600	600		600			2,400
47-800-106	0		708		1,253		1,984		2,318		1,161	2,400	2,400		2,400			2,400
800-107	586		536		273		205		451		37	750	500		500			500
47-800-108	0		0		0		0		0		0	0	0		0			0
800-111	1,062		3,648		1,800		0		0		0	0	0		0			0
47-800-109	4,404		167		0		0		0		0	0	0		0			0
47-800-110	0		0		349		0		0		0	0	0		0			0
47-800-111	0		0		0		0		0		0	0	0		0			0
47-800-201	23,478		28,835		25,923		22,992		29,864		13,632	47,500	47,500		30,000			40,000
47-800-202	14,632		29,205		9,676		20,555		33,339		5,437	36,000	30,000		15,000			20,000
47-800-203	0		200		0		667		667		0	0	0		0			0
800-204	0		0		0		654		102		0	0	0		0			0
47-800-204	0		488		1,680		1,522		1,820		1,192	2,000	1,500		1,500			1,500
47-800-205	17,024		7,073		917		8,326		7,492		3,128	17,000	12,500		3,500			3,500
47-800-206	0		354		0		0		0		0	0	0		0			0
47-800-207	0		159		142		-659		-331		367	1,000	1,000		1,000			1,000
47-800-208	0		0		0		0		0		0	0	0		0			0

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

Expenses	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Budget Approved	2011 YTD Actual Thru 5/31/11	2012 Proposed	City Recommendations	City Recommendations
47-800-209	0	0	185	286	0	1,000	423	1,500	500	500
800-214	0	0	0	0	0	0	0	0	0	0
47-800-301	0	0	0	0	0	0	0	0	0	0
47-800-302	0	0	0	0	0	0	0	0	0	0
47-800-303	8,657	10,372	10,745	0	0	0	0	0	0	11,500
47-800-304	0	0	0	0	24,440	0	0	0	0	0
47-800-305	0	20	72	1,219	276	3,100	1,786	4,000	2,500	2,500
47-800-306	0	794	0	0	0	300	111	300	300	300
47-800-307	225,206	223,134	343,545	268,318	251,000	158,524*	158,524	158,524	158,524	100,000
47-800-308	0	95,151	0	95,165	125,122	0	0	0	0	0
47-800-309	0	0	0	0	0	0	0	0	0	0
47-800-310	0	0	0	0	0	0	0	0	0	0
47-800-311	0	0	0	0	0	10,000	5,242	10,000	5,000	5,000
47-800-401	1,183	3,027	261	624	973	2,700	878	1,200	1,200	1,200
47-800-402	0	0	0	0	0	0	0	0	0	0
47-800-406	8,501	13,082	9,472	6,310	10,588	10,200	7,125	13,000	13,000	13,000
47-800-403	133	427	338	651	937	750	481	1,000	1,000	1,000
47-800-404	0	0	0	1,628	0	1,300	0	0	0	0
47-800-501	0	0	0	585	0	0	0	0	0	0
47-800-503	0	0	525	851	327	1,185	1,181	1,500	500	500
800-503	0	0	19,841	0	0	0	0	0	0	0
47-800-505	100	4,769	2,540	2,709	2,516	4,800	1,656	4,800	0	0
47-800-507	0	0	10,500	0	16,004	15,000	6,800	15,000	0	0
47-800-509	0	0	0	0	0	0	0	0	0	0
800-510	0	666	0	0	0	0	0	0	0	0
47-800-511	0	0	0	0	0	0	0	0	0	0
47-800-513	0	0	0	0	0	0	0	0	0	0
47-800-901	656,407	445,116	50,289	275,350	686,916	0	0	0	0	0
47-800-902	0	0	0	0	0	0	0	0	0	0
47-800-903	0	0	0	0	0	0	0	0	0	0
TOTAL AIRPORT	978,494	924,345	520,804	727,907	1,219,175	365,049	227,884	355,024	261,824	222,900

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

Expenses	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Budget Approved	2011 YTD Actual Thru 5/31/11	2012 Proposed	City Recommendations	City Recommendations
TERMINAL										
47-801-101	0	0	0	0	0	0	0	0	0	0
47-801-300	0	0	1,131	572	575	420	181	420	420	420
47-801-301	0	0	11,851	7,828	10,454	9,600	4,922	12,000	12,000	12,000
47-801-302	0	0	3,871	825	4,407	5,500	2,863	5,500	4,000	4,000
47-801-303	0	0	2,510	3,008	2,263	2,500	1,344	2,500	2,500	2,500
TOTAL 01-TERMINAL	0	0	19,362	12,233	17,699	18,023	9,310	20,420	18,920	18,920
*** TOTAL EXPENSES ***	978,494	924,345	540,166	740,140	1,236,875	531,040	327,237	535,586	428,000	241,820
REVENUE OVER/(UNDER) EXPENDITURES	(208,679)	110,746	53,498	(22,293)	48,818	1,552	(25,064)	31,317	903	12,583
M&O EXPENDITURES	322,087	479,229	489,877	464,790	539,959	531,040	327,237	535,586	428,000	241,820
Note:	Changes approved by Board									

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

9/9/2011 4	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Budget Approved	2011 YTD Actual Thru 5/31/11	2012 Proposed	City Recommendations	City Recommendations
<b>Revenues</b>										
<b>48 - AIRPORT CAPITAL</b>										
Reimbursement										
CAPITAL GRANTS - TXDOT	0	0	0	0	0	0	0	0	-	-
REIMBURSEMENT FM TX DOT	27,456	1,170	29,046	54,543	54,543	50,000	0	50,000	50,000	50,000
<b>TOTAL Reimbursement</b>	<b>27,456</b>	<b>1,170</b>	<b>29,046</b>	<b>54,543</b>	<b>7,251,033</b>	<b>50,000</b>	<b>0</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>
Intergovernmental										
KERR COUNTY RAMP GRANT M	0	0	0	0	0	25,000	0	25,000	25,000	25,000
CITY OF KYVILLE RAMP GRANT	0	0	0	0	0	25,000	25,000	25,000	25,000	25,000
KERR COUNTY PROJECT MATCH	0	0	0	0	0	0	0	0	0	0
CITY OF KERRVILLE PROJECT MATCH	0	0	0	0	0	0	0	0	0	0
<b>TOTAL Intergovernmental</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50,000</b>	<b>25,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>
Transfers In										
TRANSFER IN - GENERAL	406,807	218,310	0	0	0	6,072	6,072	0	-	-
TRANSFER IN - AIRPORT	444,667	50,000	275,000	621,916	376,364	0	0	0	-	-
TRANSFER IN	0	0	0	0	0	0	0	0	0	0
<b>TOTAL Transfers In</b>	<b>851,474</b>	<b>268,310</b>	<b>275,000</b>	<b>621,916</b>	<b>376,364</b>	<b>6,072</b>	<b>6,072</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL REVENUES</b>	<b>878,930</b>	<b>269,480</b>	<b>304,046</b>	<b>676,459</b>	<b>7,627,397</b>	<b>106,072</b>	<b>31,072</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>

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

9/9/2011 4	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Budget Approved	2011 YTD Actual Thru 5/31/11	2012 Proposed	City Recommendations	City Recommendations
<b>Expenses</b>										
<b>CAPITAL OUTLAY</b>										
LAND MAINTENANCE	0	0	49,678	0	0	0	0	0	0	0
BUILDING & STRUCTURE MAINT	0	0	0	0	0	0	0	0	0	0
OTHER CHARGES	0	0	0	150,304	0	0	0	0	0	0
LAND	0	0	0	0	0	0	0	0	0	0
BUILDINGS AND STRUCTURES	0	18,524	122,390	112,429	112,429	0	0	0	0	0
STREET IMPROVEMENTS	0	94,402	0	0	0	0	0	0	0	0
WATER SYSTEM IMPROVEMENTS	0	0	15,798	319,138	296,876	294,480	267,792	0	0	0
CAPITAL OUTLAY	0	0	0	0	7,196,490	0	0	0	0	0
GRANT MATCH	0	0	0	0	0	100,000	39,124	100,000	100,000	100,000
DRAINAGE IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0
GRANT MATCH T-HANGAR 2001	0	0	0	0	0	0	0	0	0	0
TXDOT REIMBURSE 2000-2001	0	0	0	0	0	0	0	0	0	0
RELOCATE 12/90 PARALLEL	0	0	0	0	0	132,952	0	0	0	0
ENGINEERING SVCS/DESIGN	0	0	0	0	0	0	0	0	0	0
MASTER PLAN	0	0	0	0	0	0	0	0	0	0
SURVEYING	0	14,770	0	0	0	0	0	0	0	0
CONTRACT SERVICES	0	0	0	19,950	19,950	0	0	0	0	0
INSTRUMENTS AND APPARATUS	0	0	0	0	0	0	0	0	0	0
REHAB AIRPORT RUNWAY	0	0	0	0	0	0	0	0	0	0
SITE PREP FUTURE HANGAR	0	0	0	0	0	0	0	0	0	0
CITY T-HANGAR 2001	0	0	0	0	0	0	0	0	0	0
KERR COUNTY T-HANGAR 2001	0	0	0	0	0	0	0	0	0	0
GRANT MATCH LIGHTING IMPROVE	0	0	0	0	0	0	0	0	0	0
TXDOT REIMBURSEMENT LIGHTING	0	0	0	0	0	0	0	0	0	0
TRANSFER OUT	105,829	2,248	6,374	95,249	0	0	0	0	0	0
<b>TOTAL CAPITAL OUTLAY</b>	<b>105,829</b>	<b>129,345</b>	<b>194,240</b>	<b>697,070</b>	<b>7,625,745</b>	<b>527,332</b>	<b>306,916</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>
<b>TOTAL EXPENDITURES</b>	<b>105,829</b>	<b>129,345</b>	<b>194,240</b>	<b>697,070</b>	<b>7,625,745</b>	<b>533,404</b>	<b>312,988</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>
REVENUE OVER/(UNDER) EXPENDITURES	773,101	139,536	109,806	(20,610)	1,652	(433,404)	(287,988)	-	-	-

**Airport Operational Plan – Option B**  
 City of Kerrville Assumes Management Oversight of the Airport

Under this concept the City of Kerrville would designate an individual to serve as an interim manager until such time that a new agreement has been negotiated.

Function	Lead Agency	
	City	County
Approve Airport Budget	✓	✓
Provide Insurance	✓	
Legal Services	✓	
Finance Services	✓	
IT Services	✓	
Telephone Services	✓	
Project Management	✓	
RAMP Grant	✓	
Engineering Services	✓	
General Maintenance	✓	
Pavement Maintenance	✓	
General Management	✓	
Cash Contribution	\$ -	\$ -
Airport Allocation	\$ 75,000	\$ -

<b>TOTAL BUDGET REVENUE</b>	<b>\$216,903</b>
<b>TOTAL BUDGET EXPENSES</b>	<b>\$205,320</b>
<b>REVENUES LESS EXPENSES</b>	<b>\$11,583</b>

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

9/9/2011 1	2006	2007	2008	2009	2010	2011	2011	2012	City	City
Revenues						Budget	YTD Actual	Proposed	Recommendations	Recommendations
47-AIRPORT						Approved	Thru 5/31/11			
INTERGOVERNMENTAL REVENUE										
47-300-602 KERR COUNTY	258,400	195,249	188,334	262,000	601,850	306,497	158,524	175,000	106,000	
47-300-603 KERRVILLE	274,012	195,249	188,334	262,000	391,732	0	250	175,000	106,000	
47-300-604 GRANTS	0	0	0	0	0	0	0	0	0	
47-300-606 TX DOT REIMBURSEMENT	33,543	3,991	0	0	0	0	0	0	0	
TOTAL INTERGOVERNMENTAL REVENUE	566,055	394,489	376,668	524,000	993,582	306,497	158,774	350,000	212,000	0
LEASE/RENTAL INCOME										0.00%
47-325-301 AIRPORT LAND LEASES	106,895	110,592	103,503	94,940	102,318	128,050	74,619	108,864	108,864	108,864
47-325-602 TERMINAL LEASES	0	7,144	14,141	14,354	12,206	13,145	9,515	15,361	15,361	15,361
47-325-603 T-HANGAR LEASES	48,900	43,600	48,250	44,438	43,644	44,000	35,250	52,400	52,400	52,400
47-325-604 VEHICLE RENTAL SURCHARGE	3,505	3,808	3,951	3,187	3,165	3,500	2,327	3,528	3,528	3,528
47-325-605 T-HANGAR STORAGE FACILITY LEASES	1,975	1,321	1,320	1,320	2,737	1,300	0	1,320	1,320	1,320
TOTAL LEASE/RENTAL INCOME	161,294	166,465	171,164	156,239	164,070	189,395	121,771	181,493	181,493	181,493
REIMBURSEMENT										
47-350-601 FUEL FLOW FEES	27,835	38,712	39,427	32,969	30,132	36,000	21,505	35,310	35,310	35,310
47-350-602 OTHER	0	0	0	0	0	0	86	0	0	0
TOTAL REIMBURSEMENT	27,835	38,712	39,427	32,969	30,132	36,000	21,591	35,310	35,310	35,310
INTEREST INCOME										
47-390-601 INTEREST INCOME	14,631	7,425	6,404	2,639	2,661	100	96	100	100	100
TOTAL INTEREST INCOME	14,631	7,425	6,404	2,639	2,661	100	96	100	100	100
TRANSFER IN										
47-390-601 TRANSFER IN	0	378,000	0	0	0	0	0	0	0	0
47-390-610 TRANSFER IN	0	50,000	0	0	95,249	0	0	0	0	0
TOTAL TRANSFER IN	0	428,000	0	0	95,249	0	0	0	0	0
*** TOTAL REVENUES ***	769,815	1,035,091	593,664	717,847	1,285,693	532,592	302,173	566,903	428,903	216,903

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

9/9/2011 2	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Budget Approved*	2011 YTD Actual Thru 5/31/11	2012 Proposed	City Recommendations	City Recommendations
<b>SALARIES &amp; BENEFITS</b>										
47-700-101	0	0	0	71,000	76,000	80,000	53,333	84,000	80,000	-
47-700-102	0	0	0	20,908	23,494	25,054	16,792	26,317	25,054	-
47-700-104	0	0	0	0	0	0	0	0	0	-
47-700-205	0	0	0	0	0	0	0	0	0	-
800-003	0	0	0	0	0	0	0	0	0	-
800-004	0	0	0	0	0	0	0	0	0	-
47-700-201	0	0	0	7,003	7,611	8,037	5,349	8,439	8,037	-
800-005	0	0	0	0	0	0	0	0	0	-
47-700-203	0	0	0	9,296	10,954	11,566	7,690	12,567	11,566	-
47-700-202	0	0	0	7,996	8,063	15,720	5,240	26,200	20,000	-
47-700-204	0	0	0	7,594	7,594	7,594	1,638	2,559	2,559	-
<b>TOTAL SALARIES &amp; BENEFITS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>116,203</b>	<b>126,122</b>	<b>147,971</b>	<b>90,043</b>	<b>160,142</b>	<b>147,256</b>	<b>0</b>
<b>AIRPORT</b>										
47-800-008	0	0	0	5,957	5,070	10,000	2,971	7,500	2,500	-
47-800-009	0	0	0	67	235	600	221	600	300	-
47-800-010	9,403	50,063	17,314	5,513	0	30,000	8,149	25,000	10,000	-
47-800-101	604	1,140	3,840	2,894	2,180	2,000	654	2,000	2,000	-
47-800-102	528	156	1,741	401	523	1,000	4,453	4,100	2,000	-
47-800-103	6,586	4,932	6,901	2,516	3,919	4,000	33	4,000	4,000	-
47-800-104	0	0	0	490	514	1,340	2,204	5,000	4,000	-
47-800-105	0	43	565	-217	903	600	42	600	600	-
47-800-108	0	708	1,233	1,994	2,318	2,400	1,161	2,400	2,400	-
800-107	566	536	273	205	461	750	37	500	500	-
47-800-107	0	0	0	0	0	0	0	0	0	-
800-111	1,062	3,648	1,800	0	0	0	0	0	0	-
47-800-109	4,404	167	0	0	0	0	0	0	0	-
47-800-110	0	0	349	0	0	0	0	0	0	-
47-800-111	0	0	0	0	0	0	0	0	0	-
47-800-201	23,478	28,635	25,923	22,992	29,864	47,500	13,632	47,500	30,000	-
47-800-202	14,632	29,205	9,676	20,555	33,339	36,000	5,437	30,000	15,000	-
47-800-203	0	200	0	0	667	0	0	0	0	-
800-204	0	0	0	654	102	0	0	0	0	-
47-800-204	0	488	1,680	1,522	1,820	2,000	1,192	1,500	1,500	-
47-800-205	17,024	7,073	917	8,326	7,492	17,000	3,128	12,500	3,500	-
47-800-206	0	354	0	0	0	0	0	0	0	-
47-800-207	0	159	142	-659	-331	1,000	367	1,000	1,000	-
47-800-208	0	0	0	0	0	0	0	0	0	-

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

Expenses	2006		2007		2008		2009		2010		2011		2012		City	
	Actual		Actual		Actual		Actual		Actual		Budget Approved	YTD Actual Thru 5/31/11	Proposed	Recommendations	Recommendations	City
47-800-203	0		0		186		286		0		1,000	429	1,500	500	500	
800-214	0		0		0		0		0		0	0	0	-	-	
47-800-301	0		0		0		0		0		0	0	0	-	-	
47-800-302	0		0		0		0		0		0	0	0	-	-	
47-800-303	8,657		10,372		10,745		0		0		0	0	0	-	-	
47-800-304	0		0		0		0		24,440		0	0	0	-	-	
47-800-305	0		20		72		1,219		276		3,100	1,786	4,000	2,500	2,500	
47-800-307	0		794		0		0		0		300	111	300	300	300	
47-800-308	225,208		223,134		343,545		268,318		251,000		158,524	158,524	158,524	158,524	158,524	75,000
47-800-309	0		95,151		0		95,165		126,122		0	0	0	-	-	
47-800-310	0		0		0		0		0		0	0	0	-	-	
47-800-311	0		0		0		0		0		10,000	0	10,000	5,000	5,000	
47-800-401	1,183		3,027		261		624		973		2,700	873	1,200	1,200	1,200	
47-800-402	0		0		0		0		0		0	0	0	-	-	
47-800-406	8,501		13,082		9,472		6,310		10,598		10,200	7,125	13,000	13,000	13,000	
47-800-403	0		0		0		0		0		0	0	0	-	-	
47-800-404	133		427		336		661		937		750	491	1,000	1,000	1,000	
47-800-405	0		0		0		0		0		13,000	0	0	-	-	
47-800-501	0		0		0		0		0		0	0	0	-	-	
47-800-503	0		0		525		861		327		1,185	1,181	1,500	500	500	
800-503	0		0		19,941		0		0		0	0	0	-	-	
47-800-505	100		4,789		2,540		2,709		2,516		4,800	1,836	4,800	-	-	
47-800-507	0		0		10,500		0		16,004		15,000	6,800	15,000	-	-	
800-510	0		686		0		0		0		0	0	0	-	-	
47-800-511	0		0		0		0		0		0	0	0	-	-	
47-800-513	0		0		0		0		0		0	0	0	-	-	
47-800-901	655,407		445,118		50,289		275,350		686,916		0	0	0	-	-	
47-800-902	0		0		0		0		0		0	0	0	-	-	
47-800-903	0		0		0		0		0		0	0	0	-	-	
TOTAL AIRPORT	978,494		924,345		520,304		727,907		1,219,175		365,049	227,854	555,024	261,824	186,400	

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

Expenses	2006		2007		2008		2009		2010		2011		2012		City	
	Actual		Actual		Actual		Actual		Actual		Budget Approved	YTD Actual Thru 5/31/11	Proposed	Recommendations	Recommendations	City
TERMINAL	0		0		0		0		0		0	0	0	-	-	
47-801-101	0		0		0		0		0		0	0	0	-	-	
47-801-300	0		0		1,131		572		575		420	181	420	420	420	
47-801-301	0		0		11,851		7,828		10,454		9,600	4,922	12,000	12,000	12,000	
47-801-302	0		0		3,871		825		4,407		5,500	2,863	5,500	4,000	4,000	
47-801-303	0		0		2,510		3,008		2,263		2,500	1,344	2,500	2,500	2,500	
47-801-303	0		0		19,362		12,234		17,699		18,020	9,310	20,420	18,920	18,920	
TOTAL 01-TERMINAL	0		0		19,362		12,234		17,699		18,020	9,310	20,420	18,920	18,920	
*** TOTAL EXPENSES ***	978,494		924,345		540,166		740,140		1,236,875		531,040	327,237	555,586	428,000	205,320	
REVENUE OVER/(UNDER) EXPENDITURES	(208,679)		110,746		53,498		(22,293)		48,818		1,552	(25,064)	31,517	903	11,583	
M&O EXPENDITURES	322,087		479,229		489,877		464,790		539,959		531,040	327,237	555,586	428,000	205,320	
Note:	Changes approved by Board															

KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD

BUDGET COMPARISON  
FOR 2006 - 2012

9/9/2011 4

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

KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD

BUDGET COMPARISON  
FOR 2006 - 2012

Expenses	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Budget Approved	2011 YTD Actual Thru 5/31/11	2012 Proposed	City Recommendations	City Recommendations
<b>CAPITAL OUTLAY</b>										
LAND MAINTENANCE	0	0	49,678	0	0	0	0	0	0	0
BUILDING & STRUCTURE MAINT	0	0	0	0	0	0	0	0	0	0
OTHER CHARGES	0	0	150,304	0	0	0	0	0	0	0
LAND	0	0	0	0	0	0	0	0	0	0
BUILDINGS AND STRUCTURES	18,524	122,390	112,429	112,429	112,429	0	0	0	0	0
STREET IMPROVEMENTS	94,402	0	0	0	0	0	0	0	0	0
WATER SYSTEM IMPROVEMENTS	0	15,798	319,138	296,876	294,480	294,480	267,792	0	0	0
CAPITAL OUTLAY	0	0	0	0	7,196,480	100,000	39,124	100,000	100,000	100,000
GRANT MATCH	0	0	0	0	0	0	0	0	0	0
DRAINAGE IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0
GRANT MATCH T-HANGAR 2001	0	0	0	0	0	0	0	0	0	0
TXDOT REIMBURSE 2000-2001	0	0	0	0	0	0	0	0	0	0
RELOCATE 12300 PARALLEL	0	0	0	0	0	132,852	0	0	0	0
ENGINEERING SVCS/DESIGN	0	0	0	0	0	0	0	0	0	0
MASTER PLAN	0	0	0	0	0	0	0	0	0	0
SURVEYING	0	0	0	0	0	0	0	0	0	0
CONTRACT SERVICES	14,770	0	0	19,950	19,950	0	0	0	0	0
INSTRUMENTS AND APPARATUS	0	0	0	0	0	0	0	0	0	0
REHAB AIRPORT RUNWAY	0	0	0	0	0	0	0	0	0	0
SITE PREP FUTURE HANGAR	0	0	0	0	0	0	0	0	0	0
CITY T-HANGAR 2001	0	0	0	0	0	0	0	0	0	0
KERR COUNTY T-HANGAR 2001	0	0	0	0	0	0	0	0	0	0
GRANT MATCH LIGHTING IMPROVE	0	0	0	0	0	0	0	0	0	0
TXDOT REIMBURSEMENT LIGHTING	0	0	0	0	0	0	0	0	0	0
TRANSFER OUT	105,829	2,248	6,374	95,249	0	0	0	0	0	0
<b>TOTAL CAPITAL OUTLAY</b>	<b>105,829</b>	<b>129,945</b>	<b>194,240</b>	<b>697,070</b>	<b>7,625,745</b>	<b>527,332</b>	<b>306,916</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>
<b>TOTAL EXPENDITURES</b>	<b>773,101</b>	<b>139,536</b>	<b>109,806</b>	<b>(20,610)</b>	<b>1,652</b>	<b>(433,404)</b>	<b>(287,968)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>REVENUE OVER/(UNDER) EXPENDITURES</b>	<b>105,829</b>	<b>130,944</b>	<b>194,240</b>	<b>697,070</b>	<b>7,625,745</b>	<b>533,404</b>	<b>312,983</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>

**Agenda Item:**  
**(Staff)**

5C. Interlocal agreement between the City of Kerrville and Kerr County regarding inmate housing. (staff)

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

**SUBJECT:** Interlocal agreement between the City of Kerrville and Kerr County regarding inmate housing.

**FOR AGENDA OF:** Sept. 13, 2011      **DATE SUBMITTED:** Sept. 9, 2011

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

**EXHIBITS:** Draft Inmate Housing Agreement

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** 

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

**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE FINANCE DIRECTOR:**

**SUMMARY STATEMENT**

On August 25, 2011, Kerr County Judge Pat Tinley provided notice to the city of the county's intent to terminate the existing inmate housing agreement. Pursuant to the terms of the agreement county was required to provide a notice of 90 days. The existing agreement will expire on Thursday, November 24, 2011.

In his letter of August 25, 2011, Judge Tinley stated that there has been not response from city officials regarding the negotiation of a new inmate housing agreement. This statement is incorrect. Sherriff Hierholzer and Kerrville Police Chief John Young have been actively working out a new agreement since April 2011 and have just finalized a new agreement. In fact, the city's draft budget for FY2012 already includes the additional costs associated with the new fees and new fee structure discussed between the Sherriff and the Chief of Police.

The new agreement proposes that the county would continue to accept "City Prisoners" and defines those prisoners as individuals who have been arrested by the city for violations of city ordinances and state laws that are classified as Class C misdemeanors and for those persons arrested by the city for Class A and B misdemeanors and felonies who have not been formally charged by a judge or magistrate. In other words this would be for people arrested without a warrant.

The agreement proposes to charge the city a fee of \$45 per day, per each

magistrated city prisoner, excluding the day the prisoner is released. The expiring agreement requires the city to pay \$37 per day per magistrated prisoner for all Class C misdemeanors only. This new fee and fee structure will increase the city' prisoner support costs by about \$50,000 for FY2012. Prisoner support costs will rise from approximately \$25,000 for FY2011 to approximately \$75,000 for FY2012 as a result of the new agreement.

The new agreement would also allow the Sherriff to refuse prisoners who are injured or ill when the Sherriff judges that the individual needs medical attention before confinement. This is because state law requires the county to cover the medical costs associated with an inmate once they have been accepted into the facility.

On Monday, September 12, 2011, the Kerr County Commissioners Court is scheduled to consider this agreement. In the letter to the city dated August 25, 2011, Judge Tinley stated that the county also feels that magistration expenses for city prisoners also be included in the fees. Magistration is a separate issue from inmate housing and that has not been included in the draft agreement by the Sherriff. There is no clarity regarding the action that the court will take at the meeting.

#### **RECOMMENDED ACTION**

City staff recommends approving the draft inmate housing agreement negotiated between the Sherriff and the Chief of Police. Should the Commissioners Court reject this agreement staff recommends taking no action and directing staff to evaluate other inmate housing options and bring back recommendations at the City Council meeting scheduled for September 27, 2011.

THE STATE OF TEXAS

COUNTY OF KERR

**INTERLOCAL AGREEMENT BETWEEN THE COUNTY OF  
KERR AND CITY OF KERRVILLE, TEXAS  
PROVIDING FOR THE HOUSING OF CITY PRISONERS**

This Interlocal Agreement is entered into between **Kerr County, Texas**, a body corporate and politic acting herein by and through its Commissioners Court, hereinafter referred to as "**County**", and the **City of Kerrville**, hereinafter referred to as "**City**".

**WHEREAS**, the **City** desires the **County** to assist in the care, custody and support of prisoners of the said **City** for the consideration and terms and conditions hereinafter set out; and,

**WHEREAS**, the **City**, acting by and through its duly elected governing body has determined that it would be of material benefit to said **City** to provide for such care of said prisoners; and,

**WHEREAS**, the **County** desires to assist the **City** in the care, custody and support of prisoners of the said **City** for the consideration and terms and conditions hereinafter set out; and,

**WHEREAS**, the Commissioners Court of Kerr County, Texas, has passed an order authorizing the Sheriff of Kerr County, Texas, to accept from duly authorized law enforcement officers of said **City** all prisoners of the **City** under the terms and conditions and for the consideration hereinafter set out; and,

**WHEREAS**, the governing body of the **City** has duly authorized this Agreement; and,

**WHEREAS**, the governing body of the **County** has duly authorized this Agreement; and,

**WHEREAS**, this Agreement is made pursuant to and under the provisions of chapter 791, Texas Government Code.

**NOW, THEREFORE**, it is mutually agreed by and between the **County**, acting herein by and through its duly authorized Commissioners Court, and the **City**, acting herein by and through its duly authorized governing body as follows:

I.

The **County** agrees that the Sheriff of Kerr County, Texas, may, on and after the effective date of this instrument, accept from the duly authorized law enforcement officers of the **City**, any and all persons who, under the laws of the State of Texas, are prisoners of the respective city. For definition purposes, a **City** prisoner shall mean those persons charged with a violation of a **City** ordinance and State laws, which are classified as class "C" Misdemeanors, lying within the jurisdiction of the Municipal Court of herein above stated **City** in Kerr County, Texas. Furthermore, a **City** prisoner shall mean those persons arrested for class A and B Misdemeanors and Felonies who have not been formally charged by a Judge or Magistrate (warrantless arrest). Once the prisoner arrested for a class A and B misdemeanor or a felony has been formally charged by a warrant or magistration by a Judge or Magistrate, the prisoner shall be the responsibility of the Sheriff and no longer considered a **City** prisoner for any purpose.

II.

The Sheriff of Kerr County, Texas, will house, support, maintain and confine said **City** prisoners in the **County** jail subject to the orders of a duly authorized Magistrate. The **County** and the **City** further agree that once a **City** prisoner is accepted and committed to the **County** jail, the Sheriff or his officer in charge of admissions, will release a **City** prisoner only when the discharge of the **City** prisoner is lawfully ordered or authorized by a Magistrate or any court of competent jurisdiction, provided, however, that nothing contained herein shall be construed to authorize or require the **County** or County Sheriff to incarcerate or hold any person contrary to the Constitution and the Laws of the State of Texas and the United States of America.

III.

- A. The County Sheriff and/or his officer in charge of admissions at the County jail, may refuse to accept an injured or ill City prisoner, when in the judgment of the County Sheriff and/or his officer, medical attention is necessary before confinement. It is agreed and understood between the County and the City that the County Sheriff and/or his officer in charge of admissions at the County jail, shall determine, upon presentation of the City prisoner at the County jail, whether at that time, at the sole discretion of the County Sheriff and/or his officer, the City prisoner should be accepted in the County jail or transported to the nearest hospital by the law enforcement officers of the City.
- B. It is further agreed that during the confinement of any City prisoner in the County jail, the County, acting by and through the County Sheriff and/or his officer, will provide all necessary medical treatment and hospitalization for all City prisoners whether they become sick or injured.

IV.

The City agrees to pay the Treasurer of Kerr County, Texas, at the end of each calendar month the sum of **FORTY-FIVE DOLLARS (\$45.00)** per day, per City prisoner that has been incarcerated in the County jail. The Sheriff agrees to provide a monthly statement showing the name of each City prisoner, the charge, the number of days served by each prisoner and the total amount due the County, to the City. For purposes of this Agreement, confinement on any calendar day, regardless of the amount of time spent in confinement, shall count as one full day of confinement. In calculating the number of days a certain City prisoner was confined, the day of arrival will be counted but not the day of departure, unless the same then counts as one day.

V.

The terms of this Agreement shall commence on **October 1, 2011**, and end upon thirty (90) days written notice from either party. It is further understood and agreed that this Agreement may be terminated at any time by either party upon thirty (90) days written notice of an order or resolution of the respective governing body of such termination to the other party and no further liability thereon will remain, other than that which has accrued before termination. Unless modified herein, all terms and provisions of this agreement between the parties which relates to prisoner housing shall remain in effect.

VI.

To the extent permitted by law, the City agrees to save and hold the County harmless from liability for injury or death of any person or damage to any property arising out of or in connection with any act or omission of the City performed under this Agreement. To the extent permitted by law, the County agrees to save and hold the City harmless from liability for injury or death of any person or damage to any property arising out of or in connection with any act or omission of the County performed under this Agreement.

VII.

IN WITNESS WHEREOF, the parties put their hands to this Agreement on the dates indicated below, but Effective October 1, 2011.

**KERR COUNTY**

By: \_\_\_\_\_  
Pat Tinley, County Judge

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

ATTEST:

\_\_\_\_\_  
Jamett Pieper, County Clerk

**CITY OF KERRVILLE**

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

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

ATTEST:

\_\_\_\_\_  
City Secretary

**Agenda Item:**  
**(Staff)**

6A. Budget and economic update.

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

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**SUBJECT:** Kerrville Budget/Economic Update

**FOR AGENDA OF:** September 13, 2011    **DATE SUBMITTED:** August 29, 2011

**SUBMITTED BY:** Mike Erwin   
Director of Finance

**CLEARANCES:** Todd Parton  
City Manager

**EXHIBITS:** Economic Update  
**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** 

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

**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE DIRECTOR OR FINANCE:**

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**SUMMARY STATEMENT**

The City of Kerrville staff will present and update Council on a biweekly basis as to the status of the City's budget and current economic trends affecting the City.

**RECOMMENDED ACTION**

No action required information purposes only.

CITY OF KERRVILLE  
ECONOMIC UPDATE AS OF SEPTEMBER 8, 2011

	Current Month	Previous Month	1 Year Ago	Trend	Current Month
<b>National</b>					
Unemployment	9.10%	9.10%	9.60%	↔	August
Consumer Confidence	44.5	59.2	53.2	↓	August
1 year T-Bills	0.10%	0.11%	0.24%	↓	9/7/11

<b>State</b>					
Monthly Unemployment	8.70%	8.80%	8.40%	↔	July
Monthly Sales Tax	\$1,859.8m	\$1,722.6m	\$1,686.5m	↑	July

<b>Local</b>					
Monthly Unemployment (Kerr Co.)	7.00%	7.10%	6.30%	↔	July
Median Listing Price	\$219,500	\$220,000	\$21,900	↔	8/31/11
Monthly Sales Tax	\$356,632	\$477,039	\$371,074	↑	September
Monthly EIC Tax	\$178,316	\$238,491	\$185,537	↑	September
Monthly HOT	\$94,652	\$111,096	\$98,775	↓	August

	FY11 Budget	FY11 as of 08/31/2011	FY11 % Received	FY10 as of 07/31/2010	FY10 % Received
<b>General Fund</b>					
Tax Revenue	\$14,647,100	\$14,166,256	96.72%	\$13,741,515	91.27%
Property Tax	\$8,240,000	\$8,248,019	100.10%	\$8,151,188	96.25%
Sales Tax	\$4,500,000	\$4,351,151	96.69%	\$4,115,677	89.01%
Permits & Fees	\$402,450	\$312,809	77.73%	\$285,082	76.89%
Intergovernmental	\$707,013	\$691,154	97.76%	\$626,271	90.09%
Service Revenues	\$2,578,260	\$2,300,916	89.24%	\$2,857,796	86.31%
Grant Revenue	\$22,571	\$27,515	121.90%	\$10,525	105.25%
Fines & Forfeitures	\$477,710	\$522,078	109.29%	\$467,412	92.65%
Interest & Misc.	\$235,372	\$310,947	132.11%	\$503,482	109.40%
Transfers In	\$1,000,000	\$983,075	98.31%	\$1,106,910	87.79%
<b>Total General Fund</b>	<b>\$20,070,476</b>	<b>\$19,314,751</b>	<b>96.23%</b>	<b>\$19,598,992</b>	<b>90.45%</b>
<b>Total General Fund Expenditures</b>	<b>\$20,070,476</b>	<b>\$17,365,240</b>	<b>86.52%</b>	<b>\$19,160,615</b>	<b>85.34%</b>

<b>Water/Sewer Fund</b>					
Water Sales	\$4,400,000	\$4,742,778	107.79%	\$3,863,451	6.29%
Sewer Sales	\$3,760,000	\$3,343,139	88.91%	\$3,376,178	7.17%
Other Revenue	\$782,124	\$899,296	114.98%	\$764,207	114.15%
<b>Total Water &amp; Sewer Fund</b>	<b>\$8,942,124</b>	<b>\$8,985,213</b>	<b>100.48%</b>	<b>\$8,003,836</b>	<b>83.12%</b>
<b>Total W&amp;S Fund Expenditures</b>	<b>\$9,242,124</b>	<b>\$7,735,617</b>	<b>83.70%</b>	<b>\$7,573,585</b>	<b>79.93%</b>

**Agenda Item:**  
**(Staff)**

7A. Economic improvement corporation. (staff)

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

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**SUBJECT:** Appointment to the Economic Improvement Corporation

**FOR AGENDA OF:** September 13, 2011

**DATE SUBMITTED:** September 8, 2011

**SUBMITTED BY:** Brenda Craig  
City Secretary

**CLEARANCES:** Todd Parton  
City Manager

**EXHIBITS:** Board List  
Letter of Resignation

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:**



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**SUMMARY STATEMENT**

Consider appointment to the following board:

**Economic Improvement Corporation:** Due to the resignation of Robert "Bob" Miller, with a term to expire on June 1, 2012.

**RECOMMENDED ACTION**

Consider appointment.

**ECONOMIC IMPROVEMENT CORPORATION**

	<u>Telephone</u>	<u>Orig. Appt.</u>	<u>Re-Appt. Date</u>	<u>Exp. Date</u>
APPEL, GREGG President 201 Hummingbird Ln.	896-5000 (O) 895-4058 (H)	05-25-10		06-01-12
EARLY, KENNETH Vice President 2756 Indian Wells Dr. E	792-1966 (O) 896-3495 (H)	05-24-11		06-01-13
ROBERTS, TONY Secretary 3512 Trail Head Dr.	895-1676 (O) 896-5374 (H)	05-24-11		06-01-13
BOYLAND, REX 1343 Bandera Hwy.	895-8028 (O) 257-0042 (H)	05-25-10		06-01-12
HOWARD, LARRY 650 Oakland Hill Ln.	895-4400 (O) 895-1988 (H)	05-24-11		06-01-13
KEEBLE, STACIE Place 2 3533 La Cumbre Drive	895-7725 (H)	05-24-11		06-01-13
MILLER, ROBERT 1214 Oriole	459-2120 (O) 459-2120 (H)	05-25-10		06-01-12

**CITY STAFF:**

Mindy Wendele 792-8343 (O)  
Director of Business Programs

Qualifications: Resident of the city and at least three directors must be persons who are not employees, officers or members of the governing body of the city.

Purpose: Benefiting and accomplishing public purposes of the city permitted by Section 4B of the Act including, but not limited to, the promotion and development of industrial and manufacturing enterprises to promote and encourage employment and the public welfare, and financing the acquisition, construction and/or equipping, and/or the maintenance and operating costs of any "Project" (as defined in Section 4B of the Act).

Term of Office: Two years; maximum of two consecutive terms

Quorum: Majority

Number of Members: Seven

Meeting Time & Place: Third Monday, 4:00 p.m., City Hall Council Chambers

Established by: Resolution No. 1995-112, amended by Resolution Nos. 1999-184; 032-2009

Revised: June 21, 2011

To: Gregg Appel, President  
Kerrville Economic Improvement Corporation

From: Bob Miller

Subject: Resignation from the Board of Directors

With this letter I am submitting my resignation from the Board of Directors of the Kerrville Economic Improvement Corporation effective October 1<sup>st</sup>, 2011. I have really enjoyed my tenure on the EIC Board but it is time for me to concentrate on some other activities.

The current makeup of the EIC is a very positive professional group of people dedicated to the future of Kerrville. I am especially pleased with the younger face of the EIC and believe it is appropriate for the Board makeup to be the same people who will live with the decisions they make for Kerrville. I believe that you are the perfect person to fill the slot of President of the EIC and wish you much success in this endeavor.

I will copy Mayor Wampler with this letter.

Thank you



Bob Miller  
1214 Oriole  
Kerrville, Texas 78028  
[rbm@hcamp.org](mailto:rbm@hcamp.org)  
830-459-2120