



City Council Meeting Agenda
August 25, 2026 at 6:00 PM
City Hall, 701 Main Street, Kerrville, Texas



Citizens may view and hear City Council meetings on Spectrum Channel 2 or by live-stream via the [City's website \(www.kerrvilletx.gov\)](http://www.kerrvilletx.gov). City Council meetings are recorded, and recordings posted on the City's website. Citizens wishing to speak during a meeting shall submit a completed "speaker request form" to the City Secretary before the item is introduced, and encouraged to submit the form before the meeting begins. Each speaker is limited to four minutes.

CALL TO ORDER: Mayor Joe Herring, Jr.

INVOCATION AND PLEDGE OF ALLEGIANCE: Councilmember Kent McKinney

1. **ANNOUNCEMENTS OF COMMUNITY INTEREST:** *Items of community interest, including expressions of thanks, congratulations, condolences; holidays; recognitions; city sponsored events, or events city officials will attend; safety and imminent threats to the public. No action will be taken.*
2. **FINANCE:**
 - 2.A Presentation of Proposed Budget for Fiscal Year 2027. (*J Behrens, Director Finance*)
3. **VISITORS/CITIZENS FORUM:** *Any citizen with business not scheduled on the agenda may speak to City Council. Prior to speaking, each speaker must complete a speaker request form and give it to the City Secretary, before the item is called or read into record. City Council may not discuss or take any action on an item but may place the issue on a future agenda. Each speaker is limited to four minutes.*
4. **CONSENT AGENDA:** *No discussion is anticipated on these items, which are considered routine, or included in the budget adoption process, or addressed in a workshop, staff report, or prior Council discussion. These items will be approved collectively by a single vote unless a Councilmember, staff, or citizen requests separate consideration. Approval of items is recommended which will authorize the Mayor or City Manager to take all actions necessary:*
 - 4.A Ordinance No. 2026-13, 2nd reading. An Ordinance amending Chapter 60 of the Code of Ordinances, City of Kerrville, Texas (Zoning Code) by changing the zoning of a property known as 1273 Bandera Highway; from a Mixed Use Zoning District (MU) to a General Commercial Zoning District (C-3); and providing other matters relating to the subject. (*D Paxton, Director Development*) On 8/11/26 City Council unanimously approved Ordinance No. 2026-13 on first reading.
 - 4.B **BUILDING CODE ORDINANCES:** (*D Paxton, Director Development*) On 8/11/26 City Council unanimously approved Ordinance Nos. 2026-14, 2026-15, 2026-16, 2026-17, and 2026-18 on first reading.
Ordinance No. 2026-14, 2nd reading. An Ordinance amending the Code of Ordinances of the City of Kerrville, Texas, by adding Article VIII to Chapter 26; providing for the adoption of the International Property Maintenance Code, 2024 Edition, as published by the International Code Council, Inc.; providing certain local amendments to said International Property Maintenance Code; containing a cumulative clause, containing a savings and severability clause; providing for a penalty of an amount not to exceed \$2,000.00 for each violation of any provision hereof; providing for an effective date; and ordering publication.

Ordinance No. 2026-15, 2nd reading. An Ordinance amending Section 26-32 of Chapter 26 "*Building and Building Regulations*" of the Code of Ordinances of the City of Kerrville, Texas, in its entirety by adopting the International Residential Code, 2024 Edition, for one- and two-family dwellings, regulating the construction, enlargement, alteration, repair, removal, demolition, conversion, occupancy, equipment, use, height, area, and maintenance of all one- and two-family dwellings and multiple single-family dwellings (townhouses) within the city; adopting local amendments; providing for a penalty for violation of any provision hereof; containing a cumulative clause; containing a savings and severability clause; ordering publication; providing for an effective date; and providing other matters related to the subject.

Ordinance No. 2026-16, 2nd reading. An Ordinance amending Section 26-31 of Chapter 26 "*Building and Building Regulations*" of the Code of Ordinances of the City of Kerrville, Texas, in its entirety by adopting the International Building Code, 2024 Edition, regulating the construction, enlargement, alteration, repair, removal, demolition, conversion, occupancy, use, height, area, and maintenance of all buildings or structures, except one- and two-family dwellings and multiple single-family dwellings (townhouses), and including the National Electrical Code as referenced herein, within the City; adopting local amendments; providing for a penalty for violation of any provision hereof; containing a cumulative clause; containing a savings and severability clause; ordering publication; providing for an effective date; and providing other matters related to the subject.

Ordinance No. 2026-17, 2nd reading. An Ordinance amending Articles II, III, IV, V, and VI Chapter 26 "*Building and Building Regulations*" of the Code of Ordinances of the City of Kerrville, Texas, by adopting the International Existing Building Code, National Electrical Code (2023 Edition), International Plumbing Code, International Fuel Gas Code, International Mechanical Code, International Energy Conservation Code, and the International Swimming Pool and Spa Code, 2024 Editions (unless otherwise stated), as to buildings, structures, systems, and other applications within the City; adopting local amendments to each code: providing for a penalty for violation of any provision hereof; containing a cumulative clause; containing a savings and severability clause; ordering publication; providing for an effective date; and providing other matters related to the subject.

Ordinance No. 2026-18, 2nd reading. An Ordinance amending Chapter 50 "*Fire Prevention and Protection*" of the Code of Ordinances of the City of Kerrville, Texas, by adopting the National Fire Prevention Association 101, Life Safety Code, 2024 Edition; adopting the International Fire Code, 2024 Edition; adopting the National Fire Protection Association 1194, Standard for recreational vehicle parks and campgrounds, 2026 Edition; adopting local amendments to said codes; providing for a penalty for violation of any provision hereof; containing a cumulative clause; containing a savings and severability clause; ordering publication; providing for an effective date; and providing other matters related to the subject.

- 4.C Ordinance No. 2026-19, 2nd reading. An Ordinance amending in part Ordinance No. 99-18, as amended, by adopting revised Rate Schedules for Residential Services, and distributed generation rider; containing a cumulative clause; containing a savings and severability clause; and establishing an effective date. *(presented by M Wittler and A Dozier, KPUB) On 8/11/26 City Council unanimously approved Ordinance No. 2026-19 on first reading.*
- 4.D Resolution No. 33-2026. A Resolution providing for the City's approval or disapproval of the Kerr Central Appraisal District's Fiscal Year 2027 Budget. *(presented by Sharon Constantinides, KCAD Chief Appraiser)*

- 4.E Kerrville-Kerr County Joint Airport Board Proposed FY2027 Budget (*presented by Kirk Griffin, Airport Manager*)
- 4.F Kerrville Convention & Visitors Bureau FY2027 Proposed Budget (*presented by Julie Davis, President/CEO*)
- 4.G Employee Benefit Trust Workshop minutes August 06, 2026. (*S McElhannon, City Secretary*)
- 4.H City Council Budget Workshop minutes August 06, 2026. (*S McElhannon, City Secretary*)
- 4.I City Council - Employee Benefit Trust Workshop minutes August 11, 2026. (*S McElhannon, City Secretary*)
- 4.J City Council meeting minutes August 11, 2026. (*S McElhannon, City Secretary*)

5. **CONSIDERATION AND POSSIBLE ACTION:**

- 5.A Resolution No. 37-2026. A Resolution approving a negotiated settlement between the Atmos Cities Steering Committee (ACSC) and Atmos Energy Corp., Mid-Tex Division regarding the company's 2026 Rate Review Mechanism filing; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement; finding the rates to be set by the attached settlement tariffs to be just and reasonable and in the public interest; approving an attachment establishing a benchmark for pensions and retiree medical benefits; requiring the company to reimburse ACSC's reasonable ratemaking expenses; determining that this Resolution 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 Resolution to the company and the ACSC's legal counsel. (*W Tatsch, City Attorney*)
- 5.B Resolution No. 38-2026. A Resolution transferring management responsibilities of the City of Kerrville Cultural Arts District Advisory Board to the Kerrville Convention and Visitors Bureau Foundation, Inc. (*W Martinez, Economic Development Manager, M Hornes, Assistant City Manager*)
- 5.C Resolution No. 39-2026. A Resolution approving the use of Tax Increment Funding in the amount not to exceed \$100,000.00 pursuant to a recommendation from the Reinvestment Zone Number One, City of Kerrville, Texas; such funding to be used by the City to provide parking lot grants to fund parking lot improvements within the City's Tax Increment Reinvestment Zone Number One. (*W Martinez, Economic Development Manager*)
- 5.D Resolution No. 40-2026. A Resolution approving the use of Tax Increment Funding in the amount not to exceed a total of \$150,000.00 pursuant to a recommendation from the Reinvestment Zone Number One, City of Kerrville, Texas; such funding to be used by the City to provide Exterior Enhancement Grants to fund exterior enhancements to buildings within the City's Tax Increment Reinvestment Zone Number One. (*W Martinez, Economic Development Manager*)
- 5.E Resolution No. 41-2026. A Resolution setting forth the Ad Valorem (Property) Tax Rate to be considered for adoption for the 2026 Tax Year; said rate proposed to be \$0.5846 per \$100 of assessed value; and calling a public hearing prior to the adoption of the tax rate and the Fiscal Year 2027 budget. (*J Behrens, Finance Director*)

5.F Discussion regarding future of Granger MacDonald Park. *(M Hornes, Asst City Manager)*

6. **BOARD APPOINTMENTS:**

6.A Appointment to the Building Board of Adjustment and Appeals (BBAA). *(S McElhannon, City Secretary) (This item eligible for Executive Session 551.074)*

6.B Appointment to the Library Advisory Board. *(S McElhannon, City Secretary)*

6.C Appointment to the Recovery Community Coalition. *(S McElhannon, City Secretary)*

6.D Appointment to the Planning and Zoning Commission. *(S McElhannon, City Secretary)*
This item eligible for Executive Session 551.074.

6.E Appointment to the Tax Increment Reinvestment Zone Board #1. *(S McElhannon, City Secretary)*

7. **EXECUTIVE SESSION:** *City Council may, as permitted by law, adjourn into executive session at any time to discuss any matter listed above if items meet the qualifications in Chapter 551 of the Texas Government Code. City Council also reserves the right to meet in executive session on the following issue(s):*

7.A Appointment to the Building Board of Adjustment and Appeals (BBAA) 551.074. *(S McElhannon, City Secretary)*

7.B Appointment to the Planning and Zoning Commission, 551.074. *(S McElhannon, City Secretary)*

8. **ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF ANY.**

9. **ITEMS FOR FUTURE AGENDAS:** *Council may suggest items or topics for future agendas.*

ADJOURN.

The facility is wheelchair accessible, and accessible parking spaces are available. Requests for accommodation or interpretive services must be made 48 hours prior to this event. Please contact the City Secretary's Office at 830-258-1118 for further information.

I hereby certify that this agenda was posted as notice of the meeting on the City Hall bulletin board and on the City's website August 19, 2026 at 4:30pm, and remained posted continuously for at least 3 business days preceding the scheduled time of the meeting. Shelley McElhannon, TRMC, City Secretary, City of Kerrville, Texas



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

CAPTION: Presentation of Proposed Budget for Fiscal Year 2027. (*J Behrens, Director Finance*)

AGENDA DATE: August 25, 2026

DATE SUBMITTED: 07/20/2026

SUBMITTED BY:

JULIE BEHRENS, Director of Finance

EXHIBITS:

None

Expenditure:

Account Number:

**Payment to/Vendor
name:**

Amount Budgeted:

Account Balance:

Kerrville 2050 Item?

No

Key Priority Area:

SUMMARY:

Presentation of Proposed Budget for Fiscal Year 2027.

RECOMMENDED ACTION:

NA



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

CAPTION: Ordinance No. 2026-13, 2nd reading. An Ordinance amending Chapter 60 of the Code of Ordinances, City of Kerrville, Texas (Zoning Code) by changing the zoning of a property known as 1273 Bandera Highway; from a Mixed Use Zoning District (MU) to a General Commercial Zoning District (C-3); and providing other matters relating to the subject. *(D Paxton, Director Development) On 8/11/26 City Council unanimously approved Ordinance No. 2026-13 on first reading.*

AGENDA DATE: August 25, 2026

DATE SUBMITTED: 08/13/2026

SUBMITTED BY:

Steve Melander, Senior Planner

EXHIBITS:

1. Ord 2026-13 Zone change C3, 1273 Bandera Hwy
2. PZ-2026-11_Current Zoning Map
3. PZ-2026-11_Future Land Use Map

Expenditure:

Account Number:

**Payment to/Vendor
name:**

Amount Budgeted:

Account Balance:

Kerrville 2050 Item?

No

Key Priority Area:

SUMMARY:

Proposal: A change in zoning from **Mixed Use (MU) to General Commercial (C-3)** for the property identified as **1273 Bandera Hwy**; ABS A0137, Francis Survey 146, Acres 10.02; KCAD Property ID 13897. (Case PZ-2026-11)

The requested change in zoning would permit additional uses otherwise not permitted with the current MU zoning district. The owner's adjacent property is currently zoned General Commercial (C-3) and the owner would like both parcels to have the same zoning to provide for additional development opportunities. It has been noted through discussions with the owner representative that prior to the current zoning of MU, the property had uses that were more consistent with C-3 zoning. A point has also been made that because the two adjacent properties have the same owner, they should have both been identified as C-3 when updates to the zoning code were made in 2019. Due

to adjacent C-3 zoning and the fact that one owner owns both properties, a request for C-3 zoning appears to be a reasonable request.

The K2050 future land use map designates this property as Entertainment / Mixed Use (EMU). Primary land uses identified in the EMU district are retail, commercial, offices, hotels, entertainment centers, service and office, housing and flex industrial and innovation uses. The uses identified in EMU future land use are all consistent with designated land uses within General Commercial (C-3), including multifamily housing. Although not in strict alignment with K2050, the Planning & Zoning Commission and City Council have the right to look at the full context of the request and determine the best path forward.

Procedural Requirements

- **Public notification letters:** Sent to **12 adjacent property owners** on **6/18/26**
- **Public notice publication:** Hill Country Community Journal on **6/10/26**
- **Public hearing sign:** Posted on **6/18/26**
- **Public comment received:** None at time of drafting this agenda bill.

Staff Analysis & Recommendation:

Consistency with Kerrville 2050 Plan

- Located within an Entertainment / Mixed Use (EMU) area on the Future Land Use Plan
- Location is adjacent to existing commercial property
- Existing uses are consistent with General Commercial (C-3) zoning
- Property is surrounded by existing commercial uses
- **Conclusion:** Although this request does not strictly align with Kerrville 2050 goals for this area, the Planning & Zoning Commission and City Council may make a determination based on the full context of the request.

Adjacent Zoning & Land Uses

- **Subject Property:**
 - **Current Zoning:** Mixed-Use (MU)
 - **Existing Use:** Automobile Service & Repair, Major (Nonconforming Use)
- **North:**Mixed-Use (MU)
 - **Existing Use:** Commercial Businesses (Nonconforming Uses)
- **South:**Bandera Hwy and Light Commercial (C-2)
 - **Existing Use:** Commercial Businesses
- **West:**General Commercial (C-3)
 - **Existing Use:** Commercial Businesses

- **East:**Light Commercial (C-2)
 - **Existing Use:** Guadalupe National Bank

Thoroughfare & Traffic Impact: No impact on the thoroughfare system; No traffic impact anticipated.

Parking Requirements: Will meet current off-street parking requirements at time of development

Recommendation:

- **The Planning & Zoning Commission and City Council to approve or deny based on the full context of the request.**
- Staff recommends approval of the request and direction from the Planning & Zoning Commission to further study the Mixed-Use (MU) properties in this area to determine if a change to K2050 future land use plan should be considered.
- On July 2nd, the Planning and Zoning Commission recommended approval of the case with a unanimous vote.
- *On 8/11/26 City Council unanimously approved Ordinance No. 2026-13 on first reading.*

RECOMMENDED ACTION:

Approve Ordinance No. 2026-13, on second reading.

**CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2026-13**

AN ORDINANCE AMENDING CHAPTER 60 OF THE CODE OF ORDINANCES, CITY OF KERRVILLE, TEXAS (ZONING CODE) BY CHANGING THE ZONING OF A PROPERTY KNOWN AS 1273 BANDERA HIGHWAY; FROM A MIXED USE ZONING DISTRICT (MU) TO A GENERAL COMMERCIAL ZONING DISTRICT (C-3); AND PROVIDING OTHER MATTERS RELATING TO THE SUBJECT

WHEREAS, pursuant to Texas Local Government Code Sections 211.006 and 211.007, notice has been given to all parties in interest and citizens by publication in the official newspaper for the City of Kerrville, Texas (“City”), and otherwise, of a hearing held before the City Council on August 11, 2026, which considered a report of the City’s Planning and Zoning Commission regarding its recommendations on this Ordinance, the adoption of which will result in the change of a zoning district for the property located at 1273 Bandera Highway (SH 173); such change to result in the removal of the property from a Mixed Use Zoning District (MU) to placement within a General Commercial Zoning District (C-3); and

WHEREAS, on August 11, 2026, City Council held a public hearing on this zoning change pursuant to the published notice and has considered the application, comments, reports, and recommendations of the Planning and Zoning Commission and staff, public testimony, and other relevant support materials;

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

SECTION ONE. City Council amends the Zoning Code for the City of Kerrville, Texas, Chapter 60 of the Code of Ordinances (“Zoning Code”) by amending the *Official Zoning Map* to designate the following described property zoned as within a General Commercial Zoning District (C-3):

Legal Description: Being an approximate 10.2-acre tract out of the Francis Survey No. 146, Abstract No. A0137, within the City of Kerrville, Kerr County, Texas; said property depicted at **Exhibit A**, attached hereto and made a part hereof for all purposes, and hereafter referred to as the “Property.”

Address: 1273 Bandera Highway (State Highway 173), Kerrville, TX 78028.

SECTION TWO. The City Manager is directed to amend the City's *Official Zoning Map* to reflect the change in districts adopted herein for the Property and to take other actions contemplated by and in accordance with the Zoning Code.

SECTION THREE. The provisions of this Ordinance are 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 expressly repealed to the extent of any such inconsistency or conflict.

SECTION FOUR. The terms and provisions of this Ordinance shall be deemed to be severable in that if any portion of this Ordinance is declared to be invalid, the same shall not affect the validity of the other provisions of this Ordinance.

SECTION FIVE. Pursuant to Texas Local Government Code §52.013(a) and Section 3.07 of the City's Charter, the City Secretary is authorized to publish the descriptive caption of this Ordinance in the manner and for the length of time prescribed by the law as an alternative method of publication.

SECTION SIX. This Ordinance shall become effective immediately upon the expiration of ten days following publication, as provided for by Section 3.07 of the City Charter.

PASSED AND APPROVED ON FIRST READING, this the 11th day of August, A.D., 2026.

PASSED AND APPROVED ON SECOND AND FINAL READING, this the 25th of August, A.D., 2026.

ATTEST:

Joe Herring, Jr., Mayor

Shelley McElhannon, City Secretary

APPROVED AS TO FORM:



William L. Tatsch, City Attorney



Location Map

Case #PZ-2026-11

Location:

1273 Bandera Hwy

Legend

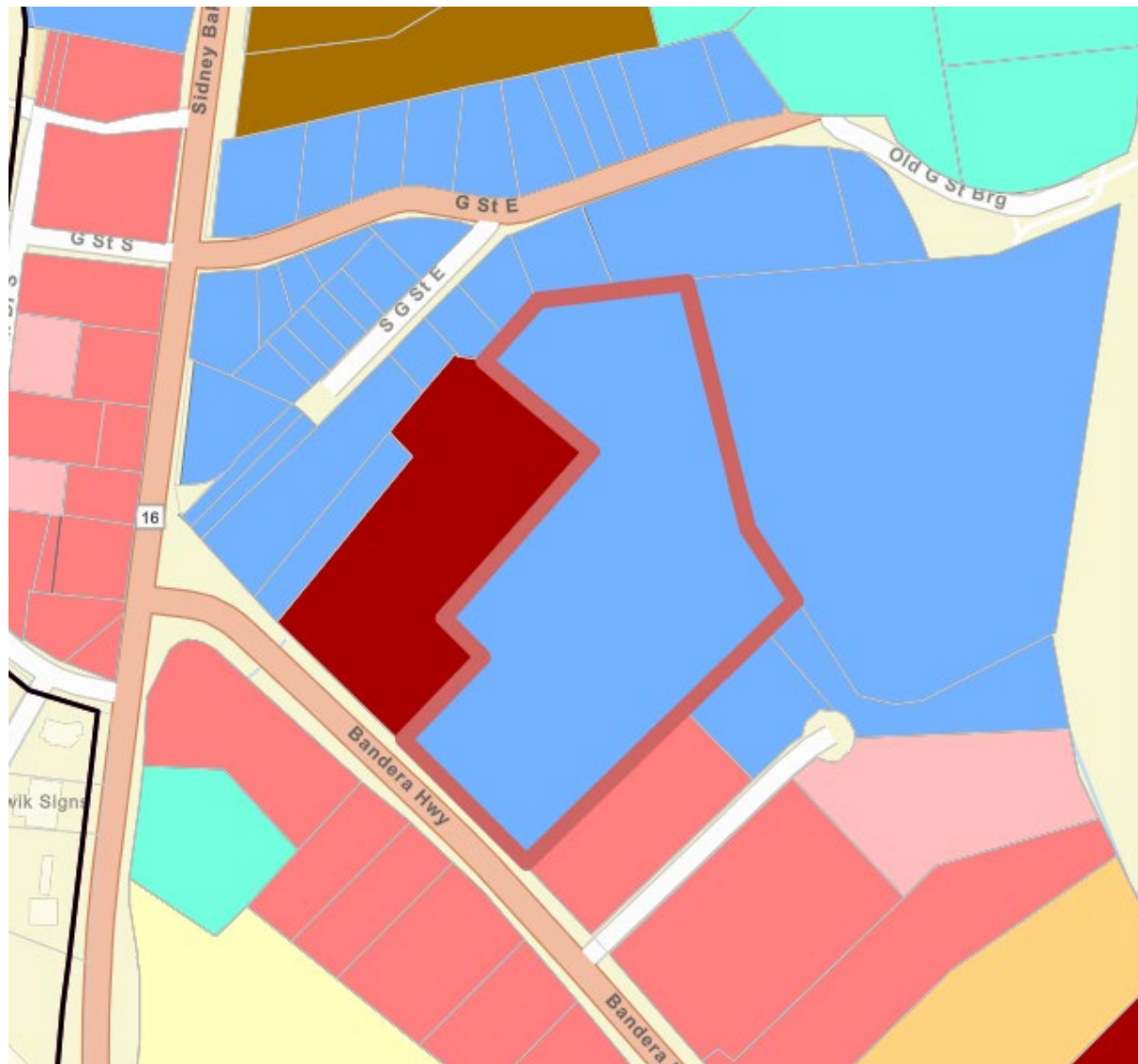
- Subject Properties
- 200 Feet Notification Area



0 100 200 400

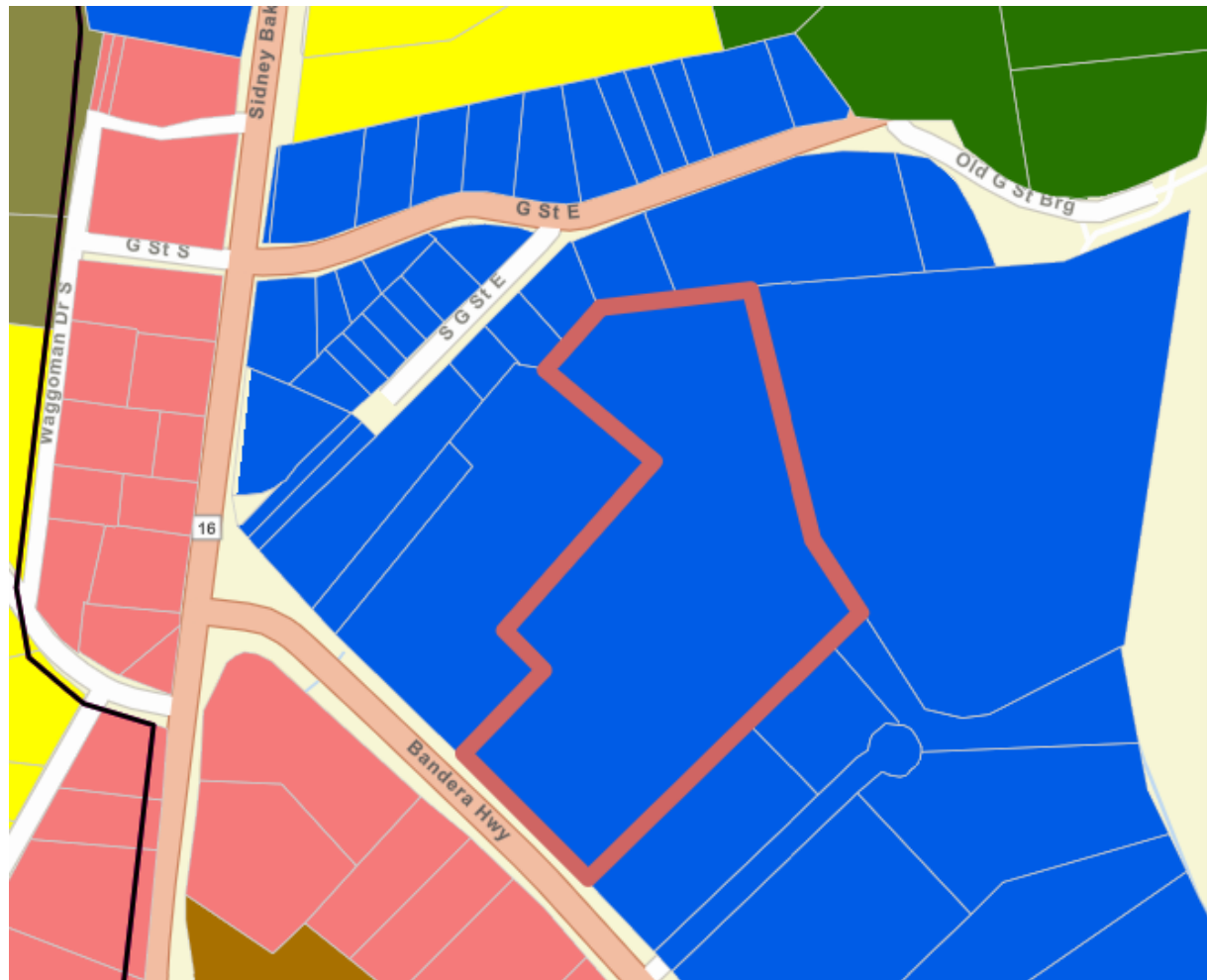
Scale In Feet

06/11/2026



Zoning District (Current)

-  RE Estate Residential
-  R-1 Single-Family Residential
-  R-1A Single-Family Residential with Accessory Dwelling Unit
-  R-2 Medium Density Residential
-  R-3 Multifamily Residential
-  RM Residential Mix
-  RT Residential Transition
-  C-1 Neighborhood Commercial
-  C-2 Light Commercial
-  C-3 General Commercial
-  IM Industrial and Manufacturing
-  DAC Downtown Arts and Culture
-  MU Mixed Use
-  PD Planned Development
-  PI Public and Institutional
-  AD Airport
-  AG Agriculture
-  DC Downtown Core



Kerrville 2050 Future Land Use 2025

Place Type

- Agriculture, Conservation, and Recreation (ACR)
- Community Commercial (CC)
- Downtown (D)
- Entertainment - Mixed Use (EMU)
- Estate Residential (ER)
- Heavy Commercial - Light Industrial (HCLI)
- Neighborhood Residential (NR)
- Park and Open Space (PO)
- Preservation Residential (PR)
- Public Use (PU)
- Regional Commercial (RC)
- Rural Living (RL)
- Transitional Residential (TR)
- Undefined



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

CAPTION: BUILDING CODE ORDINANCES: *(D Paxton, Director Development)* On 8/11/26 City Council unanimously approved Ordinance Nos. 2026-14, 2026-15, 2026-16, 2026-17, and 2026-18 on first reading.

Ordinance No. 2026-14, 2nd reading. An Ordinance amending the Code of Ordinances of the City of Kerrville, Texas, by adding Article VIII to Chapter 26; providing for the adoption of the International Property Maintenance Code, 2024 Edition, as published by the International Code Council, Inc.; providing certain local amendments to said International Property Maintenance Code; containing a cumulative clause, containing a savings and severability clause; providing for a penalty of an amount not to exceed \$2,000.00 for each violation of any provision hereof; providing for an effective date; and ordering publication.

Ordinance No. 2026-15, 2nd reading. An Ordinance amending Section 26-32 of Chapter 26 "*Building and Building Regulations*" of the Code of Ordinances of the City of Kerrville, Texas, in its entirety by adopting the International Residential Code, 2024 Edition, for one- and two-family dwellings, regulating the construction, enlargement, alteration, repair, removal, demolition, conversion, occupancy, equipment, use, height, area, and maintenance of all one- and two-family dwellings and multiple single-family dwellings (townhouses) within the city; adopting local amendments; providing for a penalty for violation of any provision hereof; containing a cumulative clause; containing a savings and severability clause; ordering publication; providing for an effective date; and providing other matters related to the subject.

Ordinance No. 2026-16, 2nd reading. An Ordinance amending Section 26-31 of Chapter 26 "*Building and Building Regulations*" of the Code of Ordinances of the City of Kerrville, Texas, in its entirety by adopting the International Building Code, 2024 Edition, regulating the construction, enlargement, alteration, repair, removal, demolition, conversion, occupancy, use, height, area, and maintenance of all buildings or structures, except one- and two-family dwellings and multiple single-family dwellings (townhouses), and including the National Electrical Code as referenced herein, within the City; adopting local amendments; providing for a penalty for violation of any provision hereof; containing a cumulative clause; containing a savings and severability clause; ordering publication; providing for an effective date; and providing other matters related to the subject.

Ordinance No. 2026-17, 2nd reading. An Ordinance amending Articles II, III, IV, V, and VI Chapter 26 "*Building and Building Regulations*" of the Code of Ordinances of the City of Kerrville, Texas, by adopting the International Existing Building Code, National Electrical Code (2023 Edition), International Plumbing Code, International Fuel Gas Code, International Mechanical Code, International Energy Conservation Code, and the International Swimming Pool and Spa Code, 2024 Editions (unless otherwise stated), as to buildings, structures, systems, and other applications within the City; adopting local amendments to each code: providing for a penalty for violation of any provision

hereof; containing a cumulative clause; containing a savings and severability clause; ordering publication; providing for an effective date; and providing other matters related to the subject.

Ordinance No. 2026-18, 2nd reading. An Ordinance amending Chapter 50 "*Fire Prevention and Protection*" of the Code of Ordinances of the City of Kerrville, Texas, by adopting the National Fire Prevention Association 101, Life Safety Code, 2024 Edition; adopting the International Fire Code, 2024 Edition; adopting the National Fire Protection Association 1194, Standard for recreational vehicle parks and campgrounds, 2026 Edition; adopting local amendments to said codes; providing for a penalty for violation of any provision hereof; containing a cumulative clause; containing a savings and severability clause; ordering publication; providing for an effective date; and providing other matters related to the subject.

AGENDA DATE: August 25, 2026

DATE SUBMITTED: 08/13/2026

SUBMITTED BY:

Drew Paxton, Director of Planning and Development

EXHIBITS:

1. 20260811 Ord 2026-14 Intl Property Maint Code
2. Ord 2026-15 Building-Building Regulations Codes
3. Ord 2026-16 Building-Building Regulations - Intl Bldg Code
4. Ord 2026-17 7codes Intl Electric Plumbing Fuel Mechanical Energy SwimmingPool-Spa
5. Ord 2026-18 Fire Codes

Expenditure:

Account Number:

**Payment to/Vendor
name:**

Amount Budgeted:

Account Balance:

Kerrville 2050 Item?

Yes

Key Priority Area:

E – Economic Development

SUMMARY:

The proposed ordinances adopt the 2024 editions of the International Code Council (ICC) model codes, along with applicable referenced codes and local amendments, to establish the City's minimum standards for building construction, life safety, fire protection, energy efficiency, and property maintenance.

The current building codes (2018 edition) have served the City well. However, periodic updates are necessary to incorporate advancements in construction methods, materials, technology, and nationally recognized safety standards. This update also aligns with the 2025 Building Code Update Policy previously adopted by the City Council. The 2024 code editions include revisions intended to improve public safety,

increase resilience to natural hazards, enhance accessibility, promote energy efficiency, and provide greater clarity for designers, contractors, and code officials.

All previous local amendments have been carried over to address community specific conditions, ensure consistency with state law, and maintain continuity with existing City policies and development practices.

Adoption of the 2024 building codes will provide the City with current, nationally recognized construction standards while supporting safe, sustainable, and high-quality development. The Building Board of Adjustments and Appeals (BBAA) is composed of professionals from various building trades. The BBAA and city staff recommend approval of these ordinances adopting the 2024 International Building Codes and associated local amendments.

On 8/11/26 City Council unanimously approved Ordinances Nos. 2026-14, 2026-15, 2026-16, 2026-17, and 2026-18 on first reading.

RECOMMENDED ACTION:

Approve Ordinances Nos. 2026-14, 2026-15, 2026-16, 2026-17, and 2026-18 on second reading.

**CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2026-14**

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF KERRVILLE, TEXAS, BY ADDING ARTICLE VIII TO CHAPTER 26; PROVIDING FOR THE ADOPTION OF THE INTERNATIONAL PROPERTY MAINTENANCE CODE, 2024 EDITION, AS PUBLISHED BY THE INTERNATIONAL CODE COUNCIL, INC.; PROVIDING CERTAIN LOCAL AMENDMENTS TO SAID INTERNATIONAL PROPERTY MAINTENANCE CODE; CONTAINING A CUMULATIVE CLAUSE, CONTAINING A SAVINGS AND SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY OF AN AMOUNT NOT TO EXCEED \$2,000.00 FOR EACH VIOLATION OF ANY PROVISION HEREOF; PROVIDING FOR AN EFFECTIVE DATE; AND ORDERING PUBLICATION

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

WHEREAS, City Council deems it necessary, pursuant to the approval of this Ordinance, to adopt the *International Property Maintenance Code, 2024 Edition* ("IPMC"), providing minimum standards to safeguard the health, property, and welfare of the citizens of Kerrville by regulating and controlling the use, maintenance, and repair, for buildings and structures, as defined, within the City; and

WHEREAS, the City's Building Board of Adjustment and Appeals has reviewed the IPMC and recommends its adoption, along with local amendments; and

WHEREAS, the City Council of the City of Kerrville, Texas, finds it to be in the public interest to amend the Code of Ordinances of the City of Kerrville, Texas, to adopt said local amendments;

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

SECTION ONE. Chapter 26 "Buildings and Building Regulations," of the Code of Ordinances of the City of Kerrville, Texas, is amended by amending Article VIII in its entirety and replacing it with new language that is underlined (added) as follows:

"Sec. 26-220. – International Property Maintenance Code, 2024 Edition.

(a) Adoption. The International Property Maintenance Code, 2024 Edition ("IPMC"), a publication of the International Code Council (I.C.C.), is adopted and designated as the Property Maintenance Code of the City of Kerrville.

Texas, to the same extent as if such Code were copied verbatim in this Article, subject to deletions, additions, and amendments prescribed in this Article. A copy of the IPMC is on file in the office of the City Secretary and within the Department of Development Services.

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

- (1) Section 103 Code Compliance Agency is deleted in its entirety.
- (2) Section 106 is amended in its entirety to read as follows:

Section 106. Building Board of Adjustment and Appeals.
Subject to its specific authority as found elsewhere in the city's code of ordinances, the Building Board of Adjustment and Appeals ("BBAA") shall hear appeals of orders, decisions, or determinations made by the code official or requests for variances relative to the application and interpretation of the IPMC.

- (3) Section 107 is deleted in its entirety to read as follows:

107. Penalties for Violation.

- (a) Misdemeanor. Any violation of this article is a misdemeanor as provided in section 1-8 of this code.
 - (b) Fines. The penalty for a violation of this article shall be a fine of not less than \$100.00, but not exceeding \$2,000.00 for each violation.
 - (c) Cost of abatement. Upon conviction of a violation of this article, the court shall in addition to any fine levied assess against the defendant the costs incurred by city in abating the nuisance.
 - (d) Entity officer liability. The partners, officers, commissioners, managers, agents, trustees, and employees of any private partnership, trust, corporation, company, business, or other entity that owns or occupies property that violates this article shall be jointly and severally liable with the owner or occupier for the penalties provided in this section.
- (4) Section 108 is amended in its entirety to read as follows:

Section 108. Notice of Violation.

- (1) Notice to owner required. After the city health official has determined that a property violates any of the provisions of this article, the city health official or his designee shall

promptly notify the owner of the property of the violation.

- (2) Methods of notice. Written notice of a violation of this article must be given in person or by letter, return receipt requested. If personal service cannot reasonably be obtained, or the owner's post office address is unknown, notice may be given by:

(a) Publication in the city's official newspaper at least once;

(b) Posting notice on or near the front door of each building on the property to which the violation relates; or

(c) If the property contains no buildings, then posting the notice on a placard attached to a stake driven into the ground on the property to which the violation relates.

- (3) A statement that if the owner of the property does not comply with this article on or before the seventh day after the date of the notice, the city may:

(a) Do the work or make the improvements required to comply with this article;

(b) Pay for the work or improvements; and

(c) Charge the expenses to the owner.

- (4) A statement that the owner may appear at the office of the city health official on or before the seventh day after the date of the notice to show cause why the violations should not or cannot be remedied within the required seven days.

- (b) **Notice to owner of additional violations.** Notice of a subsequent violation of this article is not required if:

- (1) The original notice:

(a) Was mailed or emailed to the owner or posted on the property; and

(b) Contained a statement that if the owner commits another violation of the same kind or nature that poses a danger to the public health and safety on or

before the first anniversary of the date of the notice, the city may correct the violation and assess the expense against the property without further notice; and

(2) On or before the first anniversary of the date of the original notice, the owner commits another violation of this article of the same kind or nature as the original violation that poses a danger to the public health and safety.

(c) Notice of violations after change in ownership. Even if ownership of property previously found in violation of this article is transferred to another owner, notice of a subsequent violation of this article is not required if:

(1) The original notice:

(a) Was mailed to the owner or posted on the property; and

(b) Contained a statement that if the owner commits another violation of the same kind or nature that poses a danger to the public health and safety on or before the first anniversary of the date of the notice, the city may correct the violation and assess the expense against the property without further notice;

(2) On or before the first anniversary of the date of the original notice, another violation covered by the notice occurs;

(3) The property owner to whom the original notice was issued has transferred or conveyed his or her ownership interest to another person; and

(4) The city has not been informed in writing of the change in the property ownership by the cited property owner.

(d) Validity of refused or unclaimed notice. If notice is mailed to the property owner but returned to the city by the U.S. Postal Service as “refused” or “unclaimed,” the notice shall be considered valid and delivered.

(e) Determination of owner and owner’s address. For purposes of this article, the owner of property in violation of this article and the owner’s address shall be determined by the records of Kerr Central Appraisal District.

(5) Section 111 is deleted in its entirety.

(6) Section 302.4 is amended by replacing the reference to “[Jurisdiction to Insert Height in Inches]” with “twelve inches (12.0)” in the first sentence.

- (7) Section 302 is amended by adding 302.4.1. to read as follows:
- 302.4.1. Affirmative Defenses.** The following shall constitute affirmative defenses to violation of section 302.4:
- (1) Regularly cultivated ornamental, fruit-bearing, vegetable-bearing, or flowering plants, bushes, or trees;
 - (2) Regularly cultivated crops grown on property that is classified as agriculture exempt according to the tax rolls of the county;
 - (3) Pasture lands on property that is classified as agriculture exempt according to the tax rolls of the county;
 - (4) Heavily wooded property or property with steep slopes, on which mowing equipment cannot reasonably be used; or
 - (5) Property that the city health official determines should be exempted because of the lack of harm to the public health, safety, and welfare.
- (8) Section 302.8 is deleted in its entirety.
- (9) Section 304.14 is deleted in its entirety.
- (10) Section 308.3.1 is deleted in its entirety, and the remaining subsections are renumbered accordingly.
- (11) Section 309 is amended by adding 309.6 to read as follows:
- (a) 309.6
- (12) Section 402.2 is amended in its entirety to read as follows:
- 403.2. Common halls and stairways.** Every common hall and stairway in residential occupancies, other than in one-and two-family dwellings, shall be lighted at all times to reasonably and adequately cover the areas served. In other than residential occupancies, interior and exterior means of egress, stairways shall be illuminated at all times the building space served by the means of egress is occupied at floors, landings, and treads.
- (13) Section 602.3 is amended by removing the phrase “during the period from [DATE] to [DATE].”
- (14) Section 602.4 is amended in its entirety to read as follows:
- 602.3 Occupiable Workspace.**

- (1) Indoor occupiable work spaces shall be supplied with heat to maintain a minimum temperature of 65°F (18°C) during the period the spaces are occupied.
 - (2) Exceptions. (1) processing, storage, and operation areas that require cooling or special temperature conditions; and (2) areas in which persons are primarily engaged in vigorous, physical activities.
- (15) Section 604.2 is amended in its entirety to read as follows:
- 604.2. Service.** In accordance with NFPA 70, the size and usage of appliances and equipment determines the need for additional electrical facilities. A dwelling unit must be served by an electrical service with a rating of at least 60 amperes.
- (16) 604.3.1.1. is amended to replace reference to the International Building Code with a reference to the National Electrical Code.
- (17) 604.3.2.1. is amended to replace reference to the International Building Code with a reference to the National Electrical Code.
- (18) Appendices A and B are deleted in their entirety.

SECTION TWO. Prior Article VIII “Unsafe Building Abatement” of Chapter 26 “Buildings and Building Regulations,” of the Code of Ordinances of the City of Kerrville shall be renumbered to become Article IX.

SECTION THREE. Prior Article IX “Building Board of Adjustment and Appeals” of Chapter 26 “Buildings and Building Regulations,” of the Code of Ordinances of the City of Kerrville shall be renumbered to become Article X.

SECTION FOUR. Future amendments (not including clarifications or technical notices of any type) of said *International Property Maintenance Code*, 2024 Edition, are not adopted by this Ordinance.

SECTION FIVE. The IPMC shall not be construed to relieve or lessen the responsibility of any person owning, operating, or controlling any building or structure for any damages to persons or property caused by defects, nor shall the City Council, the City, its agents or representatives assume any such liability by reason of these regulations or the inspections authorized by the IPMC or any permits or certificates issued under the IPMC.

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

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

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

SECTION NINE. This Ordinance shall become effective immediately upon final passage.

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

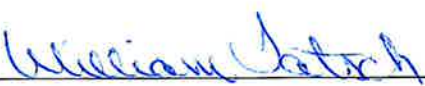
PASSED AND APPROVED ON FIRST READING, this the 11th day of August, 2026.

PASSED AND APPROVED ON SECOND AND FINAL READING, this the 25th day August, 2026.

Joe Herring, Jr., Mayor

APPROVED AS TO FORM:

ATTEST:



William L. Tatsch, City Attorney

Shelley McElhannon, City Secretary

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**CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2026-15**

AN ORDINANCE AMENDING SECTION 26-32 OF CHAPTER 26 “BUILDING AND BUILDING REGULATIONS” OF THE CODE OF ORDINANCES OF THE CITY OF KERRVILLE, TEXAS, IN ITS ENTIRETY BY ADOPTING THE INTERNATIONAL RESIDENTIAL CODE, 2024 EDITION, FOR ONE- AND TWO-FAMILY DWELLINGS, REGULATING THE CONSTRUCTION, ENLARGEMENT, ALTERATION, REPAIR, REMOVAL, DEMOLITION, CONVERSION, OCCUPANCY, EQUIPMENT, USE, HEIGHT, AREA, AND MAINTENANCE OF ALL ONE- AND TWO-FAMILY DWELLINGS AND MULTIPLE SINGLE-FAMILY DWELLINGS (TOWNHOUSES) WITHIN THE CITY; ADOPTING LOCAL AMENDMENTS; PROVIDING FOR A PENALTY FOR VIOLATION OF ANY PROVISION HEREOF; CONTAINING A CUMULATIVE CLAUSE; CONTAINING A SAVINGS AND SEVERABILITY CLAUSE; ORDERING PUBLICATION; PROVIDING FOR AN EFFECTIVE DATE; AND PROVIDING OTHER MATTERS RELATED TO THE SUBJECT

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

WHEREAS, City Council deems it necessary, pursuant to the approval of this Ordinance, to adopt the *International Residential Code, 2024 Edition* (“IRC”), providing minimum standards to safeguard the health, property, and welfare of the citizens of Kerrville by regulating and controlling the use, occupancy, maintenance, repair, design, construction and quality of materials for residential buildings and structures, as defined, within the City; and

WHEREAS, the City’s Building Board of Adjustment and Appeals has reviewed the IRC and recommends its adoption, along with local amendments; and

WHEREAS, the City Council of the City of Kerrville, Texas, finds it to be in the public interest to adopt the IRC, along with local amendments thereto, and in so doing, to amend in its entirety Chapter 26 “Building Codes”, Article II, Section 26-32 of the City’s Code of Ordinances;

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

SECTION ONE. Chapter 26 “Building Codes,” of the Code of Ordinances of the City of Kerrville, Texas, is amended with deleted language indicated by red, strikeout (~~deleted~~) and new language indicated by blue, underline (addition) as follows:

“Sec. 26-32. – International Residential Code, 201824 Edition.

(a) *Adoption.* The International Residential Code, 201824 Edition (“IRC”), a publication of the International Code Council (I.C.C.), is adopted and designated as the Residential Building Code for the City of Kerrville, Texas, to the same extent as if such Code were copied verbatim in this Article, subject to deletions, additions, and amendments prescribed in this Article. A copy of the IRC is on file in the office of the City Secretary and within the City’s Department of Development Services.

(b) *Amendments.* The IRC is amended as follows:

....

(3) R105.2 is amended by deleting exemptions 2 and 5. Sidewalks and driveways, under “Building.”

....

(12) A new Section P2610 is added to read as follows:

**SECTION P2610.
CROSS-CONNECTION (BACKFLOW) CONTROL.**

....

P2610.4 Landscape Irrigation. A double check backflow prevention assembly may be used for landscape irrigation if there are no conditions that present a health hazard. One and two family homes with septic should be protected by a Reduced Pressure Principle Backflow Preventer.

....

(~~12~~ 13) Section P3002.1 is amended by adding a new exception as follows:

Exception: The use of SDR 35 and SDR 26 is prohibited except for those sizes six inches (6") and larger.

(~~13~~ 14) Section P3002.2 is amended by adding a new exception as follows:

Exception: The use of SDR 35 and SDR 26 is prohibited except for those sizes six inches (6") and larger.

(~~14~~ 15) Section P3005.2 is amended to add the following new section:

P3005.2.12. Two-Way Cleanout Required. The owner or occupant shall provide an approved two-way cleanout on the building sewer at the property line.

(~~15~~ 16) *Tables P3107.3, P3108.3, and P3109.4* are amended by adding the following footnote to each table:

Fn: The minimum size of a vent serving a water closet shall be two inches (2").

(~~16~~ 17) Section P2903.1 is amended by adding the following new subsection:

P2903.1.1 Water service shut-off valve. An approved shut-off valve shall be installed in the water service line at the customer side of the water meter upon installation of a new water service line or when any repair, addition, and/or alteration of the plumbing system is made which requires the water supply to the system to be turned off. NOTE: An owner, occupant, plumber, or any other individual other than a City employee is prohibited from operating, closing, opening, or tampering with the shut-off valve on the supply side (City side) of the water meter. Where it should become necessary for the shut-off valve on the supply side (City side) of the water meter to be turned off, the City shall be contacted to have the shut-off valve turned off. Any damage to the City's water supply system, including the shut-off valve, caused by any person other than a City employee attempting to operate, close, open, or tamper with the shut-off valve shall be charged to the customer served by the damaged system.

(c) *Appendices.* The following appendices of the ~~IBRC~~ are adopted: A through E, G, H, I, J, M, N, and Q."

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

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

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

SECTION FIVE. The provisions of this Ordinance are to be cumulative of all other ordinances or parts of ordinances governing or regulating the same subject matter as that covered herein; provided, however, that all prior ordinances or parts of ordinances in direct conflict with any of the provisions of this Ordinance are hereby expressly repealed to the extent of any such inconsistency or conflict. This Ordinance is not intended to and does not replace the following laws of the City: Zoning Code, Subdivision Code, or Sign Code, as such codes exist or as may be amended.

SECTION SIX. If any section, subsection, sentence, clause, or phrase of this Ordinance is, for any reason, held to be unconstitutional or invalid, such holding shall not affect the validity of the remaining portions of this Ordinance. The 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 one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional or invalid.

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

**PASSED AND APPROVED ON FIRST READING, this the 11th
day of August, A.D., 2026.**

**PASSED AND APPROVED ON SECOND AND FINAL READING,
this the 25th day of August, A.D., 2026.**

Joe Herring, Jr., Mayor

APPROVED AS TO FORM:

ATTEST:



William L. Tatsch, City Attorney

Shelley McElhannon, City Secretary

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**CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2026-16**

AN ORDINANCE AMENDING SECTION 26-31 OF CHAPTER 26 “BUILDING AND BUILDING REGULATIONS” OF THE CODE OF ORDINANCES OF THE CITY OF KERRVILLE, TEXAS, IN ITS ENTIRETY BY ADOPTING THE INTERNATIONAL BUILDING CODE, 2024 EDITION, REGULATING THE CONSTRUCTION, ENLARGEMENT, ALTERATION, REPAIR, REMOVAL, DEMOLITION, CONVERSION, OCCUPANCY, USE, HEIGHT, AREA, AND MAINTENANCE OF ALL BUILDINGS OR STRUCTURES, EXCEPT ONE- AND TWO-FAMILY DWELLINGS AND MULTIPLE SINGLE-FAMILY DWELLINGS (TOWNHOUSES), AND INCLUDING THE NATIONAL ELECTRICAL CODE AS REFERENCED HEREIN, WITHIN THE CITY; ADOPTING LOCAL AMENDMENTS; PROVIDING FOR A PENALTY FOR VIOLATION OF ANY PROVISION HEREOF; CONTAINING A CUMULATIVE CLAUSE; CONTAINING A SAVINGS AND SEVERABILITY CLAUSE; ORDERING PUBLICATION; PROVIDING FOR AN EFFECTIVE DATE; AND PROVIDING OTHER MATTERS RELATED TO THE SUBJECT

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

WHEREAS, City Council deems it necessary, pursuant to the approval of this Ordinance, to adopt the *International Building Code, 2024 Edition* (“IBC”), providing minimum standards to safeguard the health, property, and welfare of the citizens of Kerrville by regulating and controlling the use, occupancy, maintenance, repair, design, construction and quality of materials for buildings and structures within the City; and

WHEREAS, the *ICC Electrical Code* is no longer published as a separate document, but the electrical provisions are included as Appendix K, the *National Electrical Code*, and is being adopted as a part of this Ordinance and the IBC; and

WHEREAS, the City’s Building Board of Adjustment and Appeals has reviewed the IBC and recommends its adoption, along with local amendments; and

WHEREAS, the City Council of the City of Kerrville, Texas, finds it to be in the public interest to adopt the IBC, along with local amendments thereto, and in so doing, to amend in its entirety Chapter 26 “Building Codes,” Article II, Section 26-31 of the City’s Code of Ordinances;

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

SECTION ONE. Chapter 26 “Building Codes,” of the Code of Ordinances of the City of Kerrville, Texas, is amended with deleted language indicated by red, strikeout (~~deleted~~) and new language indicated by blue, underline (addition) as follows:

“Sec. 26-31. – International Building Code, 20~~18~~24 Edition.

(a) *Adoption.* The International Building Code, 20~~18~~24 Edition (“IBC”), a publication of the International Code Council (I.C.C.), is adopted and designated as the Building Code of the City of Kerrville, Texas, to the same extent as if such Code were copied verbatim in this Article, subject to deletions, additions, and amendments prescribed in this Article. A copy of the IBC is on file in the office of the City Secretary and within the Department of Development Services.

(b) *Amendments.* The IBC is amended as follows:

(1) 101.4.~~1~~8 is amended in its entirety to read as follows:

101.4.~~1~~8 Electrical. The Electrical Code currently in effect for the City shall apply to the installation of electrical systems, including alterations, repairs, replacement, equipment, appliances, fixtures, fittings and appurtenances thereto.

~~(2) 101.4.4 is deleted.~~

~~(3) 102.6 is amended by deleting its reference to the *International Property Maintenance Code*.~~

(~~4~~2) 105.1.1 is amended in its entirety to read as follows:

105.1.1 Contractor’s license required. Any person who is required by the IBC to make application for a building permit shall first obtain a contractor’s license from the City. The City will issue a contractor’s license for a period not exceed one year, and all such licenses will expire

on December 31 of each year. As a condition of obtaining such license, an applicant shall provide proof of a \$5,000 surety bond.

~~(53)~~ 105.2 is amended by deleting exemptions 2 and 6. Sidewalks and driveways, under “Building.”:

~~(64)~~ 109.4 is amended in its entirety to read as follows:

109.4 Work commencing before permit issuance. The City will apply an additional fee to any person who commences work requiring a permit prior to obtaining such permit. Such fee is in addition to the required permit fee(s). The City’s utilization of this remedy does not constitute an election of remedies for future incidents nor does such application constitute a waiver of the City’s right to utilize alternate legal remedies to address future incidents of work being commenced without a permit, including criminal prosecution under applicable provisions of the IBC or other applicable laws.

~~(75)~~ Section 202 is amended by adding the following definitions:

Occupancy. The fact or condition of holding, possessing, or residing in for the purpose of using a building or structure for the intended use. Occupancy exists when any activity or use, other than construction work on the building itself, is conducted within or from the building or structure, including the primary business of the occupancy and any ancillary activity of the occupancy classification, such as bookkeeping, telephoning, holding meetings and the like.

Occupancy Classification. The classifying of buildings or structures according to their proposed use for the purpose of determining construction requirements as they pertain to the *International Building Code*, the *International Electrical Code*, the *International Mechanical Code*, the *International Plumbing Code*, the *International Energy Code*, the *International Fuel Gas Code*, the *International Fire Code*, and other City regulations. Occupancy classification takes place when plans and/or a permit application are received for review by the City or at the time that an existing building is changing occupancy type. The occupancy classification is determined by the Building Official.

(86) 1101.1 is amended in its entirety to read as follows:

1101.1 Scope. The provisions of this chapter shall control the design and construction of facilities for accessibility for disabled persons. In addition, the City shall apply and enforce applicable federal and state laws, including those administered by the Texas Department of Licensing and Regulation.

(97) 1507.8 is amended in its entirety to read as follows:

1507.8 Wood shingles and shakes. The installation of wood shingle and wood shake roof covering shall comply with the following:

1507.8.1 New wood roofs prohibited. Wood shingles and shakes are prohibited, are not allowed as an alternative material, and shall not be installed or used on any new construction or the re-roofing of any structure.

1507.8.2 Repair of existing roofs. Any existing structure which has wood shingles or shakes may be repaired with fire-retardant shingles or shakes of a comparable grade. "Repair" means the replacement of damaged or destroyed shingles or shakes, provided the area repaired does not exceed twenty-five percent (25%) of the square foot surface area of the existing roof. Any percentage greater than twenty-five percent (25%) will be considered "re-roofing" in which event the use of wood shingles or shakes is prohibited as provided by 1507.8.1. A wood shingle or shake roof may not be replaced with wood shingles or shakes in increments which are undertaken in an attempt to meet the definition of "repair".

(108) 1507.9 and all of its subsections are deleted.

(119) 1907.1 is amended by revising its first sentence as follows with the rest of the section to remain the same:

1907.1 General. The thickness of concrete floor slabs supported directly on the ground shall not be less than 4 inches."

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

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

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

SECTION FIVE. The provisions of this Ordinance are to be cumulative of all other ordinances or parts of ordinances governing or regulating the same subject matter as that covered herein; provided, however, that all prior ordinances or parts of ordinances in direct conflict with any of the provisions of this Ordinance are hereby expressly repealed to the extent of any such inconsistency or conflict. This Ordinance is not intended to and does not replace the following laws of the City: Zoning Code, Subdivision Code, or Sign Code, as such codes exist or as may be amended.

SECTION SIX. If any section, subsection, sentence, clause, or phrase of this Ordinance is, for any reason, held to be unconstitutional or invalid, such holding shall not affect the validity of the remaining portions of this Ordinance. The 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 one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional or invalid.

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

**PASSED AND APPROVED ON FIRST READING, this the 11th
day of August, A.D., 2026.**

**PASSED AND APPROVED ON SECOND AND FINAL READING,
this the 25th day of August, A.D., 2026.**

Joe Herring, Jr., Mayor

APPROVED AS TO FORM:

ATTEST:



William L. Tatsch, City Attorney

Shelley McElhannon, City Secretary

**CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2026-17**

AN ORDINANCE AMENDING ARTICLES II, III, IV, V, AND VI CHAPTER 26 “BUILDING AND BUILDING REGULATIONS” OF THE CODE OF ORDINANCES OF THE CITY OF KERRVILLE, TEXAS, BY ADOPTING THE INTERNATIONAL EXISTING BUILDING CODE, NATIONAL ELECTRICAL CODE (2023 EDITION), INTERNATIONAL PLUMBING CODE, INTERNATIONAL FUEL GAS CODE, INTERNATIONAL MECHANICAL CODE, INTERNATIONAL ENERGY CONSERVATION CODE, AND THE INTERNATIONAL SWIMMING POOL AND SPA CODE, 2024 EDITIONS (UNLESS OTHERWISE STATED), AS TO BUILDINGS, STRUCTURES, SYSTEMS, AND OTHER APPLICATIONS WITHIN THE CITY; ADOPTING LOCAL AMENDMENTS TO EACH CODE; PROVIDING FOR A PENALTY FOR VIOLATION OF ANY PROVISION HEREOF; CONTAINING A CUMULATIVE CLAUSE; CONTAINING A SAVINGS AND SEVERABILITY CLAUSE; ORDERING PUBLICATION; PROVIDING FOR AN EFFECTIVE DATE; AND PROVIDING OTHER MATTERS RELATED TO THE SUBJECT

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

WHEREAS, City Council deems it necessary, pursuant to the approval of this Ordinance, to adopt the *International Existing Building Code*, *National Electrical Code (2023 Edition)*, *International Plumbing Code*, *International Fuel Gas Code*, *International Mechanical Code*, *International Energy Conservation Code*, and *International Swimming Pool and Spa Code, 2024 Editions*, unless otherwise stated; and collectively referred to herein as the “Codes”; each of which to provide minimum standards to safeguard the health, property, and welfare of the citizens of Kerrville by regulating and controlling the use, occupancy, maintenance, repair, design, construction and quality of materials for buildings, structures, systems, and other applications within the City; and

WHEREAS, the City’s Building Board of Adjustment and Appeals has reviewed each of the codes specified above and recommends adoption, along with local amendments; and

WHEREAS, the City Council of the City of Kerrville, Texas, finds it to be in the public interest to adopt the Codes, along with local amendments thereto, and in so doing, to amend Articles III, IV, V, and VI of Chapter 26 “Building Codes”, of the City’s Code of Ordinances;

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

SECTION ONE. Section 26-41, Article II, Chapter 26 “Building Codes,” of the Code of Ordinances of the City of Kerrville, Texas, is amended with deleted language indicated by red, strikeout (~~deleted~~) and new language indicated by blue, underline (addition) as follows:

“Sec. 26-41. - International Existing Building Code, 201824 Edition.

(a) *Adoption.* The International Existing Building Code, 201824 Edition (“IEBC”), a publication of the International Code Council (I.C.C.), is adopted to the same extent as if such were copied verbatim in this Article, subject to deletions, additions, and amendments prescribed in this Article. A copy of the IEBC is on file in the office of the City Secretary and within the City’s Department of Development Services.

(b) *Amendments.* The IEBC is amended as follows:

....

~~(2) 101.4.2 and 1301.3.2 are amended by deleting the references to the International Property Maintenance Code (“IPMC”). Any other reference within the IEBC to the IPMC may be ignored as the City has neither adopted nor enforces the IPMC.~~

(32) Section 103 is amended in its entirety to read as follows:

Section 103 Building Inspection Division. The City has previously created a Building Inspection Division. The City’s Chief Building Official is the City employee in charge thereof and is the “Code Official” as defined. All references within the IEBC to the “Department of Building Safety” shall instead refer to the “Building Inspection Division.”

(43) 1205.2 is amended by deleting exemption 1. Under “Building.”:

(54) 105.5 is amended by adding the following sentence at the end of the subsection:

The Code Official may grant a reasonable period of time to complete large projects that require an extended construction period.

(65) Section 112 is amended in its entirety to read as follows:

Section 112. Building Board of Adjustment and Appeals. Subject to its specific authority as found elsewhere in the City's Code of Ordinances, the Building Board of Adjustment and Appeals ("BBAA") shall hear appeals of orders, decisions, or determinations made by the Code Official or requests for variances relative to the application and interpretation of the IEBC.

(76) Section 3056 is amended by adding 3056.1.1 to read follows:

3056.1.1 Standards. All structures shall conform to the State of Texas Accessibility Standards."

(87) Section 401 is amended by adding 401.2.1 to read as follows:

401.2.1 Extent of repair for noncompliance buildings. If the evaluation does not establish compliance of a pre-damaged building in accordance with 401.2, then the building shall be rehabilitated to comply with applicable provisions of the International Building Code ~~“(IBC)”~~ for load combinations, including wind. The wind design level for the repair shall be as required by the building code in effect at the time of original construction, unless the damage was caused by wind, in which case the design level shall be as required by the code in effect the time of original construction or as required by the IBC, whichever is greater.

(98) 504.2 is amended by replacing the reference to twelve feet (12.0') in the last sentence with thirteen and one-half (13.5').

(109) 504.3, 504.4, and 504.5 are deleted.

(110) 802.5.1 is amended by deleting "a loading dock" and replacing this phrase with "other elevated floor surface."

(121) 803.1 is amended in its entirety to read as follows:

803.1 Scope. The requirements of this subsection are limited to work areas in which Level 2 alterations are being performed and only apply beyond the work area where specified on the approved drawings and specifications.

(132) 906.3 is amended in its entirety to read as follows:

906.3 Substantial structural alteration. Where more than 30 percent of the total floor area and roof areas of the building or structure have been or are proposed to be involved in structural alteration within a 12-month period, the evaluation and analysis must demonstrate that the altered building or structure complies with the IBC for wind loading.

(143) 106.3 is deleted.

(154) 1402.4 is deleted.”

SECTION TWO. Section 26-61, Article III, Chapter 26 “Building Codes,” of the Code of Ordinances of the City of Kerrville, Texas, is amended with deleted language indicated by red, strikeout (~~deleted~~) and new language indicated by blue, underline (addition) as follows:

“Sec. 26-61. – National Electrical Code, 201723 Edition.

(a) *Adoption.* The National Electrical Code, 201723 Edition (“NEC”), is adopted and designated as the Electrical Code for the City of Kerrville, Texas, to the same extent as if such Code were copied verbatim in this Article, subject to deletions, additions, and amendments prescribed in this Article. A copy of the NEC is on file in the office of the City Secretary and within the City’s Department of Development Services.

....

(d) *Amendments.* The NEC is amended as follows:

....

(3) Section 80.19 of Annex H is amended to read as follows:

Section 80.19 ~~ADMINISTRATION AND ENFORCEMENT~~PERMITS AND APPEALS. Permits and approvals shall conform as follows:

....

(11) Section 352.12 is amended by adding the following:

352.12 Uses Not Permitted. PVC conduit shall not be used under the conditions specified in 352.12(A) through (GE).

(12) Section 680.62 is amended by adding the following:

(G) Accessibility. Branch circuit conductors shall be directly ~~and readily~~ accessible for the purpose of allowing the inspection, maintenance, replacement, and repair of any and all associated motors.

(13) Section 680.71 is amended by adding the following sentence at the end of the section:

Branch circuit conductors shall be directly ~~and readily~~ accessible for the purpose of allowing the inspection, maintenance, replacement, and repair of any and all associated motors.”

SECTION THREE. Section 26-121, Article IV, Chapter 26 “Building Codes,” of the Code of Ordinances of the City of Kerrville, Texas, is amended with deleted language indicated by red, strikeout (~~deleted~~) and new language indicated by blue, underline (addition) as follows:

“Sec. 26-121. - International Plumbing Code, 201824 Edition.

(a) *Adoption.* The International Plumbing Code, 201824 Edition (“IPC”), a publication of the International Code Council (I.C.C.), is adopted and designated as the Plumbing Code of the City of Kerrville, Texas, to the same extent as if such Code were copied verbatim in this Article, subject to deletions, additions, and amendments prescribed in this Article. A copy of the IPC is on file in the office of the City Secretary and within the Department of Development Services.

(b) *Amendments.* The IPC is amended as follows:

(1) ~~106.6.1~~ 108.4 is amended in its entirety to provide as follows:

~~106.6.1.~~ 108.4. Work commencing before permit issuance. The City will apply an additional fee to any person who commences work requiring a permit prior to obtaining such permit. Such fee is in addition to the require permit fee(s). The City’s utilization of this remedy does not constitute an election of remedies for future incidents nor does such application constitute a waiver of the City’s right to utilize alternate legal remedies to address future incidents of work being commenced without a permit, including criminal prosecution under applicable provisions of the IBC or other applicable laws.

(2) Section ~~109~~ 112 is deleted.

(3) ~~312.10.2~~ 312.11.2 is amended in its entirety to provide as follows:

~~312.10.2~~ 312.11.2 **Testing.** Reduced pressure principle, double check, pressure vacuum breaker, reduced pressure detector fire protection, double check detector fire protection, spill-resistant vacuum breaker backflow preventer assemblies, and hose connection backflow preventers shall be tested at the time of installation and immediately after repairs or relocation. Any backflow assembly installed to protect from contamination or health hazard shall be tested annually. The testing procedure shall be performed in accordance with one of the following standards: ASSE 5013, ASSE 5015, ASSE 5020, ASSE 5047, ASSE 5048, ASSE 5052, ASSE 5056, CSA B64.10 or CSA B64.10.1.

....

(6) ~~608.1~~ 606.1 is amended by adding the following new subsection:

~~608.1.1.~~ 606.1.1. **Water Service Shut-Off Valve.** A shut-off valve approved by the City shall be installed in the water service line at the customer side of the water meter upon installation of a new water service line or when any repair, addition, and/or alteration of the plumbing system is made which requires the water supply to the system to be turned off. NOTE: An owner, occupant, plumber, or any other individual other than a City employee is prohibited from operating, closing, opening, or tampering with the shut-off valve on the supply side (City side) of the water meter. Where it is necessary for the shut-off valve on the supply side (City side) of the water meter to be turned off, the City shall be contacted to have the shut-off valve turned off. Any damage to the City's water system, including the shut-off valve, caused by any person other than a City employee attempting to operate, close, open, or tamper with the shut-off valve shall be charged to the customer served by the damaged system.

....

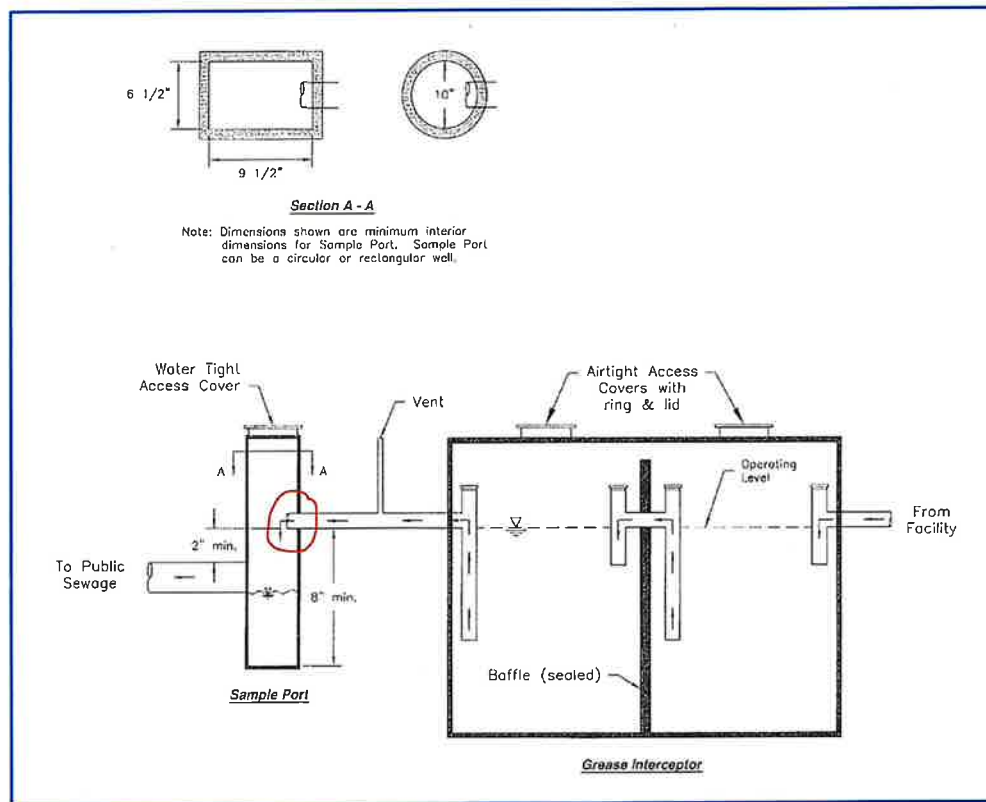
(12) Section 708 is amended by adding the following new subsection:

~~708.10.~~ 708.1.13. An approved two-way cleanout shall be installed at the property line.

....

(14) 1003.1 is amended by adding the following new subsection:

1003.1.1. All grease traps and grease interceptors shall be installed, sized, and shall meet all applicable City requirements, including the City's regulations pertaining to grease traps. In the case of conflicting requirements between the City's regulations and the Plumbing Code, the strictest requirement shall apply. The discharge line from the grease traps and/or grease interceptors shall be provided with an approved sample well, which meets all of the requirements of the City's regulations and specifications pertaining to sample wells.



SECTION FOUR. Section 26-122, Article IV, Chapter 26 "Building Codes," of the Code of Ordinances of the City of Kerrville, Texas, is amended with deleted language indicated by red, ~~deleted~~ and new language indicated by blue, addition as follows:

"Sec. 26-122. - International Fuel Gas Code, 2018~~24~~24 Edition.

- (a) *Adoption.* The International Fuel Gas Code, 2018~~24~~24 Edition ("IFGC"), a publication of the International Code Council (I.C.C.), is adopted and designated as the Fuel Gas Code of the City of Kerrville, Texas, to the

same extent as if such Code were copied verbatim in this Article, subject to deletions, additions, and amendments prescribed in this Article. A copy of the IPC is on file in the office of the City Secretary and within the Department of Development Services.

(b) *Amendments.* The IFGC is amended as follows:

(1) ~~106.6.1~~ 108.4 is amended in its entirety to read as follows:

106.6.1. 108.4. Work commencing before permit issuance. The City will apply an additional fee to any person who commences work requiring a permit prior to obtaining such permit. Such fee is in addition to the require permit fee(s). The City's utilization of this remedy does not constitute an election of remedies for future incidents nor does such application constitute a waiver of the City's right to utilize alternate legal remedies to address future incidents of work being commenced without a permit, including criminal prosecution under applicable provisions of the IFGC or other applicable laws.

(2) ~~109.1~~ 112 is amended in its entirety to provide as follows:

109.1 112.1 Application for appeal. A person shall have the right to appeal a decision of the Code Official or the Fire Code Official to the Building Board of Adjustment and Appeals.

(3) ~~109.2~~ 112.2 through ~~109.7~~ 112.4 are deleted."

SECTION FIVE. Article V, Chapter 26 "Building Codes," of the Code of Ordinances of the City of Kerrville, Texas, is amended with deleted language indicated by red, strikeout (~~deleted~~) and new language indicated by blue, underline (addition) as follows:

"ARTICLE V. MECHANICAL CODE

Sec. 26-171. - International Mechanical Code, ~~2018~~2024 Edition.

(a) *Adoption.* The International Mechanical Code, ~~2018~~ 2024 Edition ("IMC"), a publication of the International Code Council (I.C.C.), is adopted and designated as the Mechanical Code of the City of Kerrville, Texas, to the same extent as if such Code were copied verbatim in this Article, subject to deletions, additions, and amendments prescribed in this Article. A copy of the IPC is on file in the office of the City Secretary and within the Department of Development Services.

(b) *Amendments.* The IMC is amended as follows:

(1) ~~106.5.1~~ 108.4 is amended in its entirety to read as follows:

~~106.5.1.~~ 108.4. Work Commencing Before Permit Issuance. The City will apply an additional fee to any person who commences work requiring a permit prior to obtaining such permit. Such fee is in addition to the require permit fee(s). The City's utilization of this remedy does not constitute an election of remedies for future incidents nor does such application constitute a waiver of the City's right to utilize alternate legal remedies to address future incidents of work being commenced without a permit, including criminal prosecution under applicable provisions of the IMC or other applicable laws.

(2) ~~109.2~~ 112 through ~~109.2.6~~ 113 are deleted.

(3) 301.10 is amended in its entirety to read as follows:

301.10. ~~Listed and Labeled~~ Electrical. All references to the ICC Electrical Code within the IMC shall instead refer to the applicable provisions of the Electrical Code adopted by the City."

SECTION SIX. Article VI, Chapter 26 "Building Codes," of the Code of Ordinances of the City of Kerrville, Texas, is amended with deleted language indicated by red, strikeout (~~deleted~~) and new language indicated by blue, underline (addition) as follows:

"Sec. 26-201. - International Energy Conservation Code, ~~2018~~ 2024 Edition.

(a) *Adoption.* The International Energy Conservation Code, 2018 Edition ("IECC"), a publication of the International Code Council (I.C.C.), is adopted and designated as the Energy Code of the City of Kerrville, Texas, to the same extent as if such Code were copied verbatim in this Article, subject to deletions, additions, and amendments prescribed in this Article. A copy of the IPC is on file in the office of the City Secretary and within the Department of Development Services.

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

(1) Section C105 is amended by adding a new subsection to read as follows:

C105.2.7 Energy efficiency inspections. Commercial ~~I~~nspections shall be made to determine compliance with Chapter 4(CE) of the IECC

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

(2) Section C106.4 is amended in its entirety to read as follows:

C106.4. Work commencing before permit issuance. The city will apply an additional fee to any person who commences work requiring a permit prior to obtaining such permit. Such fee is in addition to the required permit fee(s). The city's utilization of this remedy does not constitute an election of remedies for future incidents nor does such application constitute a waiver of the city's right to utilize alternate legal remedies to address future incidents of work being commenced without a permit, including criminal prosecution under applicable provisions of the IBC or other applicable laws.

(3) Section C109 is amended in its entirety to read as follows:

C109. Building Board of Adjustment and Appeals. Subject to its specific authority as found elsewhere in the city's Code of Ordinances, the Building Board of Adjustment and Appeals shall hear appeals of orders, decisions, or determinations made by the code official or requests for variances relative to the application and interpretation of the IECC.

(~~2~~ 4) Section C402.3 is amended in its entirety to read as follows:

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

(~~3~~ 5) C402.4.2 is amended by adding a sixth exception as follows:

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

(4 6) Section C404.6.1 is amended in its entirety to read as follows:

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

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

(7) Section C405.15.1 is amended in its entirety to read as follows::

C405.15.1 On-site renewable energy systems. Buildings may be provided with on-site renewable electricity generation systems with a direct current (DC) nameplate power rating of not less than 0.75 watts per square foot (8.1 W/m²) multiplied by the sum of the gross conditioned floor area of all floors, not to exceed the combined gross conditioned floor area of the three largest floors.

(8) Section C405.13 is amended in its entirety to read as follows:

C405.13 Energy monitoring. New buildings with a gross conditioned floor area of not less than 10,000 square feet (929 m²) may be equipped to measure, monitor, record and report energy consumption in accordance with Sections C405.13.1 through C405.13.6 for load categories indicated in Table C405.13.2 and Sections C405.13.7 through 405.13.11 for end-use categories indicated in Table C405.13.8.

(5 9) Section C501.6 is amended in its entirety to read as follows:

C501.6 Historic buildings. No provisions of this code relating to the construction, *repair, alteration*, restoration and movement of structures, and *change of occupancy* shall be mandatory for *historic buildings*.

(6 10) Section R105.2 is amended in its entirety to read as follows:

R105.2 Required inspections. The code official or his or her designated agent, upon notification, shall make the inspections set forth in R105.2.1 through C105.2.7.

(7 11) R105.2 is amended by adding new subsections to read as follows:

R105.2.6 Duct test for one- and two-family dwellings and townhomes. All ducts for one- and two-family dwellings as well as townhomes, in unconditioned spaces, shall be duct tested prior to covering or concealment to disclose leaks and defects. Tests shall be made by an independent certified RESNET energy rater or an alternative approved by the *code official* using objective, verifiable testing criteria and results provided to the *code official*. Apparatus, material, and labor required for testing a mechanical system shall be furnished by the independent certified RESNET energy rater or code official approved alternate. Where any work or installation does not pass an initial test or inspection, the necessary corrections shall be made to achieve compliance with this chapter. The work or installation shall then be re-submitted to the code official for inspection and testing. See also 403.3.3 of the IECC.

R105.2.7 Energy efficiency inspections. Inspections shall be made to determine compliance with 4(CE) of the IECC for all occupancies, as amended, and shall include, but not be limited to, inspections for: envelope insulation R- and U-values, fenestration U-value, duct system R-value, and HVAC and water-heating equipment efficiency. For detached one and two-family dwellings and multiple single-family dwellings (townhomes) as well as Group R-2, R-3 and R-4 buildings three stories or less in height above grade plane, an independent certified RESNET energy rater or an alternative approved by the code official using objective, verifiable testing criteria, shall test and inspect the air barrier as per R402.4 Air leakage, of the 2015 IECC. The results must be submitted on a form approved by the code official. The form shall show that construction is in compliance with the 2015 IECC.

(8 12) R401.4.1.1 is amended in its entirety to read as follows:

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

(9 13) Section R402 is amended to adding a new subsection to read as follows:

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

Exceptions:

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

(10 14) R403.5.1.1 is amended in its entirety to read as follows:

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

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

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

(~~11~~ 15) R501.6 is amended in its entirety to read as follows:

R501.6 Historic buildings. No provisions of this code relating to the construction, repair, alteration, restoration and movement of structures, and change of occupancy shall be mandatory for historic buildings.”

SECTION SEVEN. Article VII, Chapter 26 “Building Codes,” of the Code of Ordinances of the City of Kerrville, Texas, is amended with deleted language indicated by red, strikeout (~~deleted~~) and new language indicated by blue, underline (addition) as follows:

“Sec. 26-210. - International Swimming Pool and Spa Code, ~~2018~~ 2024 Edition.

(a) *Adoption.* The International Swimming Pool and Spa Code, ~~2018~~ 2024 Edition (“ISPSC”), a publication of the International Code Council (I.C.C.), is adopted and designated as the Pool and Spa Code of the City of Kerrville, Texas, to the same extent as if such Code were copied verbatim in this Article, subject to deletions, additions, and amendments prescribed in this Article. A copy of the ISPSC is on file in the office of the City Secretary and within the Department of Development Services.

(b) *Amendments.* The ISPSC is amended as follows:

.....

(2) ~~105.6.1~~ 109.4 is amended in its entirety to read as follows:

~~105.6.1~~ 109.4 **Work commencing before permit issuance.** The City will apply an additional fee to any person who commences work requiring a permit prior to obtaining such permit. Such fee is in addition to the require permit fee(s). The City’s utilization of this remedy does not constitute an election of remedies for future incidents nor does such application constitute a waiver of the City’s right to utilize alternate legal remedies to address future incidents of work being commenced without a permit, including criminal prosecution under applicable provisions of the ISPSC or other applicable laws.

(3) ~~105.6.3~~ 109.6 is amended in its entirety to read as follows:

~~105.6.3~~ 109.6 **Fee Refunds.** The building official is authorized to establish a refund policy.

(4) Section ~~108~~ 112 is deleted.”

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

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

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

SECTION ELEVEN. 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 in direct conflict with any of the provisions of this Ordinance are hereby expressly repealed to the extent of any such inconsistency or conflict. This Ordinance is not intended to and does not replace the following laws of the City: Zoning Code, Subdivision Code, or Sign Code, as such codes exist or as may be amended.

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

SECTION THIRTEEN. In accordance with Section 3.07 of the City Charter and Section 52.013(a) of the Texas Local Government Code, the City Secretary is hereby authorized and directed to publish the descriptive caption of this Ordinance in the manner and for the length of time prescribed by the law as an alternative method of publication. The Ordinance shall then become effective in accordance with this Charter section.

PASSED AND APPROVED ON FIRST READING, this the 11th day of August, A.D., 2026.

PASSED AND APPROVED ON SECOND AND FINAL READING, this the 25th day of August, A.D., 2026.

Joe Herring, Jr., Mayor

APPROVED AS TO FORM:

ATTEST:



William L. Tatsch, City Attorney

Shelley McElhannon, City Secretary

**CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2026-18**

AN ORDINANCE AMENDING CHAPTER 50 “FIRE PREVENTION AND PROTECTION” OF THE CODE OF ORDINANCES OF THE CITY OF KERRVILLE, TEXAS, BY ADOPTING THE NATIONAL FIRE PREVENTION ASSOCIATION 101, LIFE SAFETY CODE, 2024 EDITION; ADOPTING THE INTERNATIONAL FIRE CODE, 2024 EDITION; ADOPTING THE NATIONAL FIRE PROTECTION ASSOCIATION 1194, STANDARD FOR RECREATIONAL VEHICLE PARKS AND CAMPGROUNDS, 2026 EDITION; ADOPTING LOCAL AMENDMENTS TO SAID CODES; PROVIDING FOR A PENALTY FOR VIOLATION OF ANY PROVISION HEREOF; CONTAINING A CUMULATIVE CLAUSE; CONTAINING A SAVINGS AND SEVERABILITY CLAUSE; ORDERING PUBLICATION; PROVIDING FOR AN EFFECTIVE DATE; AND PROVIDING OTHER MATTERS RELATED TO THE SUBJECT

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

WHEREAS, City Council finds that the regulations of the City governing the safeguarding of life and property from fire and explosion hazards within its corporate limits, and within its extraterritorial jurisdiction when authorized by law, should be updated to conform with modern fire protection methods and materials; and

WHEREAS, the Fire Chief and Fire Marshal for the City have reviewed 2024 edition of National Fire Protection Association 101, Life Safety Code (“NFPA 101”) and the International Fire Code, 2024 Edition (“IFC”) and have recommended that the City adopt the NFPA 101 and the IFC, both to include local amendments, as the regulations governing the safeguarding of life and property from fire and explosion hazards; and

WHEREAS, City Council finds it to be in the public interest to adopt the NFPA 101 and the IFC, along with local amendments, and in so doing, to amend Chapter 50 “Fire Prevention and Protection” of the City’s Code of Ordinances as provided below;

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

SECTION ONE. Chapter 50 “Fire Prevention and Protection,” of the Code of Ordinances of the City of Kerrville, Texas, is amended with deleted language indicated by red, strikeout (~~deleted~~) and new language indicated by blue, underline (addition) as follows:

“Sec. 50-2. -Fire Marshal.

The office of fire marshal is hereby established. The fire marshal or designee shall perform such duties as prescribed by law and by ordinance, and shall be the authority having jurisdiction in arson, fire prevention, and/or fire code matters. The fire marshal shall have authority to investigate all fires within the city. The fire marshal shall report directly to the fire chief.

Sec. 50-~~23~~. – National Fire Prevention Association 101, Life Safety Code, 2018~~24~~ edition.

- (a) *Adoption.* The 2018~~24~~ edition of the *NFPA Life Safety Code 101* (“NFPA 101”), as published by the National Fire Protection Association, is adopted and designated as the Life Safety Code of the City of Kerrville, Texas, to the same extent as if such Code were copied verbatim in this Article, subject to deletions, additions, and amendments prescribed in this Article. Copies of the NFPA 101 shall remain on file in the office of the City Secretary, within the Department of Development Services, and in the office of the Fire Marshal.

....

- (b) *Annexes.* The following annexes of the NFPA 101 are adopted: A, C, ~~and~~ D, and E.

....

Sec. 50-~~34~~. – International Fire Code, 2018~~24~~ Edition.

- (a) *Adoption.* The *International Fire Code*, 2018~~24~~ Edition (“IFC”), a publication of the International Code Council (I.C.C.), is adopted and designated as the Fire Code of the City of Kerrville, Texas, to the same extent as if such Code were copied verbatim in this Section, subject to the amendments prescribed herein. A copy of the IFC shall remain on file in the office of the City Secretary, within the Department of Development Services, and in the office of the Fire Marshal.

- (c) *Appendices*. The following appendices of the IFC are adopted: B, C, D, E, F, G, I, ~~and~~ N, and O.

- (c) *Amendments*. The IFC is amended as follows:

....

- (3) A new section 104.~~34~~.2 is added to read as follows:

104.~~34~~.2 Photographic Documentation. In the course of his or her right to conduct an inspection on a property, the fire code official shall have the right and authority to take photographs or videos for the purpose of inspection and examination pursuant to this code.

....

- (5) Section 105.~~65~~.14~~6~~ is deleted and replaced with a new section to read as follows:

105.~~65~~.14~~6~~ Explosives. The manufacture, storage, handling, sale, or use of any quantity of explosives, explosive materials, fireworks, or pyrotechnic special effects within the City is prohibited, unless authorized by a City-issued permit.

....

- (6) Section 105.~~65~~.32~~6~~ is deleted and replaced with a new section to read as follows:

105.~~65~~.32~~6~~ Open burning.

- (a) *Adoption of Texas Administrative Code Regarding Outdoor Burning.* The City hereby adopts the outdoor burning rules as outlined in the Texas Administrative Code, Title 30, Part I, Chapter 111, Subchapter B, as may be amended ("TAC"). If a conflict occurs between TAC and this section, the most stringent provision shall prevail.
- (b) *Outdoor burning prohibited.* Outdoor burning of any kind is prohibited except where such burning is authorized pursuant to an exception as specified below or by a permit issued by the City. This prohibition includes the burning of household trash, furniture, electrical insulation, treated and untreated lumber, plastics, non-wood construction/demolition materials, heavy oils, asphaltic materials, chemical wastes, natural or synthetic

rubbers, garbage of any form, or municipal solid waste, including grass, leaves, and branch trimmings.

- (c) *Outdoor disposal or deposit of spontaneously ignitable material prohibited.* The outdoor disposal or disposition of organic materials, such as mulch, capable of igniting spontaneously, with the exception of solid fossil fuels, is prohibited.
- (d) *Exceptions and Permits.* Outdoor burning may be authorized under the following exceptions or pursuant to a permit issued by the City:
 - (i) *Fire training - EXCEPTION.* Outdoor burning is authorized for training fire-fighting personnel. Facilities dedicated solely for fire-fighting training shall provide an annual written notification of intent as to such burning to the fire code official and the Texas Commission on Environmental Quality ("TCEQ") or its successor, and shall provide each with notice at least 24 hours in advance of any scheduled training session. No more than one such notification is required for multiple training sessions scheduled within any one-week period, provided the initial notice includes the specific dates and times of all sessions.
 - (ii) *Outdoor fires for non-commercial food preparation - EXCEPTION.* Outdoor fires are authorized for cooking, provided such fire is built and maintained in a pit that fully contains the fire, or a fireproof container such as a barbeque pit or chimenea made of brick, stone, metal, or other fireproof material in such a manner as to prevent any fire from escaping. Outdoor fires for non-commercial food preparation do not require a burn permit. This exception does not permit or authorize the burning of waste or other matters not being prepared for consumption.
 - (iii) *Fires used for recreation and ceremony - PERMIT.* The City may authorize outdoor burning for fires used solely for recreational or ceremonial purposes pursuant to the issuance of a City permit.

EXCEPTION: for one and two family dwellings, such a fire may be used for recreation or any other purely domestic purpose without a permit. However, such fire must be built within an appropriate fire-resistant container made of brick, stone, metal, or other fire-resistant material, and must include an appropriate

screen and be set in such a manner as to prevent the fire from escaping. The fire-resistant container must not exceed three (3) feet in diameter and must be located a minimum of 25 feet from any structure or combustible materials. This exception does not apply to the burning of leaves, trash, construction waste, yard debris, or vegetation, which remains strictly prohibited. In addition, no such fire may occur where a burn ban is in effect.

(iv) *Disposal fires - PERMIT.* The City may authorize outdoor burning for the following purposes, such activities subject to a City-issued permit:

- A. Diseased animal carcass burning where burning is the most effective means of controlling the spread of disease.
- B. On-site burning of trees, brush, and other plant growth for right-of-way maintenance, land clearing operations, and maintenance along water ways when a practical alternative to burning does not exist for any such purpose and when the materials are generated only from that property. Sensitive receptors, such as neighboring properties, persons, animals, must not be negatively affected by the burn. For a single project entailing multiple days of burning, an initial notice delineating the scope of the burn is sufficient if the scope does not constitute circumvention of any other provision provided herein and with the understanding that the fire code official may revoke such permit after issuance for reasons such as where conditions change or a violation occurs.
- C. Crop residue burning for agricultural maintenance purposes when no practical alternative exists. Structures containing sensitive receptors must not be negatively affected by the burn.
- D. Brush, trees, and other plant growth causing a detrimental public health and safety condition may be burned by a local government at a site it owns upon receiving approval from the fire code official. Such a burn may only be authorized where there is no practical alternative and, it may be done no more

frequently than once every two months. Such burning is prohibited at the City's landfill.

- (v) *Prescribed burn - PERMIT.* The City may authorize outdoor burning for prescribed burning for forest, range, and wildland/wildlife management purposes pursuant to the issuance of a City permit. Such burning is prohibited where the fire code official determines that the burning will have an adverse effect on any building or structure. In addition, the fire code official may revoke the authority to burn at any time if the burning causes nuisance conditions, is not conducted in accordance with the specified conditions, violates any provision of the permit, or causes a violation of any air quality standard.
- (vi) *Hydrocarbon burning - PERMIT.* The City may authorize outdoor burning for hydrocarbon burning from pipeline breaks and oil spills only upon proper notification to the TCEQ or the appropriate state agency, and after the fire code official has determined that the burning is necessary to protect the public health, safety, and welfare. Sampling and monitoring may be required to determine and evaluate environmental impacts.
- (vii) *Other necessary burning - PERMIT.* If not otherwise authorized by this section, outdoor burning may be authorized by the City if there is no practical alternative and if the burning will not cause or contribute to a nuisance, traffic hazard, or violate any federal or state law. The fire code official may specify procedures or methods to control or abate emissions from outdoor burning as authorized. The fire code official may revoke the authority to burn at any time if the burning causes nuisance conditions, is not conducted in accordance with the specified conditions, violates any provision the permit, or causes a violation of any air quality law.
- (e) *Revocation of permit or authority to burn.* The fire code official may revoke any person's or entity's right to conduct an outdoor burn and may pursue any legal recourse against the person or entity if the fire code official determines that federal or state law, this section, or a permit was violated.
- (f) *Requirements and procedures for obtaining an outdoor burning permit.*

- (i) The owner of the property upon which a burn is to occur must submit an application for a "Permit to Burn", as provided by City, to the fire code official (Fire Marshal).
 - (ii) The permit is effective for the specific time period indicated on the permit.
 - (iii) The permit is effective only if the burn is conducted in strict compliance with and under the conditions specified in the permit.
 - (iv) The applicant shall obtain final approval to burn from the fire code official immediately prior to the start of burning and at the beginning of each day upon which burning is to take place to ensure that weather conditions are and will remain conducive to the type of burning authorized by the permit.
 - (v) The fire code official may void a permit in any instance where he or she determines, in his or her sole discretion, that conditions have changed to the extent that the burn is no longer safe and possesses a risk to the public health, safety, and welfare.
- (g) *Fee for permit.* The fees for all permits under this section are established by City Council.
- (h) *General requirements for burning.* Outdoor burning which is otherwise authorized will also be subject to the following requirements, though such requirements are not applicable to ceremonial or recreation fires:
- (i) Burning is permitted only when wind direction and other meteorological conditions are such that smoke and other pollutants will not present a hazard to any public road, landing strip, navigable water, or have a negative effect on any building, structure, or sensitive receptor.
 - (ii) If at any time the burning causes or may tend to cause smoke to blow onto or across a public street, road, or highway, it is the responsibility of the person initiating the burn to post flag-persons on affected roads.
 - (iii) Fires shall be maintained at least 300 feet from any neighboring structure or sensitive receptors, unless prior written approval is obtained from the adjacent occupant with possessory control and such approval is submitted to the fire

code official prior to the burn. "Sensitive receptors" means any natural or human-constructed feature which may be adversely affected by such activities.

(iv) Burning shall be conducted in compliance with the following meteorological and timing considerations:

- A. The burning may not commence earlier than 9:00 a.m. Burning shall be completed on the same day not later than one hour before sunset and shall be monitored by a responsible party at all times during the active burn phase when the fire is progressing. In cases where residual fires and/or smoldering objects continue to emit smoke after this time, such areas shall be extinguished if the smoke from these areas has the potential to create a nuisance or traffic hazard condition. In no case shall the extent of the burn area be allowed to increase after this time.
- B. In cases where fires will occur over more than one day pursuant to a permit, the permittee or designee shall contact the fire code official each day of continued burning prior to the fire being lit, to determine whether and under what conditions burning will be allowed on that day.
- C. Burning shall not be commenced when surface wind speed is predicted to be less than 5 miles per hour or greater than 15 miles per hour during the burn period.
- D. Burning shall not be conducted during periods of actual or predicted persistent low-level atmospheric temperature inversions where such weather conditions may adversely impact such activities.
- E. The permittee or designee shall be present at all times when a burn is active. Such person shall have a water hose connected to a reliable water supply or have other appropriate fire extinguishing equipment, such as a bulldozer or water tankers, readily available for use.
- F. In order to allow time for the extinguishments of a fire, no new material shall be added to the burning pile after 3:00 p.m.

G. Any residual fires and/or smoldering objects that continue to emit smoke shall be extinguished each day at the end of the burn.

H. Only brush and vegetation generated and gathered from the burn site area shall be permitted. There shall be no importation of brush or any other material from another property for the purpose of burning.

(i) *Responsibility for consequences of outdoor burning.* The authority to conduct outdoor burning under this section does not exempt or excuse any person responsible from the consequences, damages, or injuries resulting from the burning and does not exempt or excuse anyone from complying with all other applicable laws or ordinances, regulations and orders of governmental entities having jurisdiction, even though the burning is otherwise conducted in compliance with this section. Further, each permittee assumes liability and responsibility for damages to persons or property caused by burning.

(7) Section 105.~~65.37~~41 is deleted.

(8) Section 105.~~76.21~~0 is deleted and replaced with a new section to read as follows:

105.~~76.21~~0 Solar photovoltaic power systems. A construction permit is required to install or modify solar photovoltaic power systems. Photovoltaic power systems shall be installed and maintained according to listed manufacturer instructions and the most current standards established by the International Electrotechnical Commission (IEC).

(9) Section 106.1 is deleted and replaced with a new section to read as follows:

106.1 Submittals. Construction documents and supporting data shall be submitted in two or more sets and at least once by portable document format (PDF) accepted on electronic/digital copy, with each application for a permit and in such form and detail as required by the fire code official. The construction documents shall be prepared by a registered design professional where required by law.

Exception: The fire code official is authorized to waive the submission of construction documents and supporting data not required to be

prepared by a registered design professional if it is found that the nature of the work applied for is such that review of construction documents is not necessary to obtain compliance with this code.

- (9 10) Section 1068.56 is deleted and replaced with a new section to read as follows:

1068.56 Refunds. Once paid, the City will not refund any fee paid for a permit or another type of application.

- (101) A new Section 1108.3.1 is added to read as follows:

1108.3.1 Records of Hazardous Materials. An owner, or designee, of a building or property that stores or uses hazardous materials shall maintain chemical documents (SDS) and building/site data, construction, maintenance, and modifications over the entire life of the building or property. The owner shall maintain a copy(s) of the documents at an off-site location. In addition, a secondary source of this information shall be made available in suitably designed hard copy or electronic format for use by emergency responders within a reasonable timeframe. The primary source of information shall be easily accessible by responders during emergencies.

- (112) Sections 10912.1 and through 10912.34 are deleted and Section 10912.1 is replaced with a new section to read as follows:

10912.1 Appeals. Appeals of orders, decisions, or determinations made by the fire code official in interpreting or applying the code shall be to the Building Board of Adjustments and Appeals ("Board") for the City, with an appeal from this Board to City Council. The Board may obtain the assistance of persons who are qualified by experience and training on a particular subject under consideration. The Board may adopt rules of procedure for conducting its business, and shall render all decisions and findings in writing to the appellant with duplicate copy delivered to the fire code official.

- (123) Section 1103.4 is deleted and replaced with a new section to read as follows:

1103.4 Violation penalties. Any person, firm, or corporation violating any of the provisions or terms of this code shall be guilty of a misdemeanor and, upon conviction, shall be subject to a fine not to exceed TWO THOUSAND AND NO/100 (2,000.00) DOLLARS for each offense, and each and every day any such violation shall continue shall be deemed to constitute a separate offense.

(134) Section 202 is amended to add the following new definitions:

DEVELOPMENT. As defined by the City's Subdivision Code.

FIRE HAZARD. Any condition or act which increases or may cause an increase of the hazard or menace of fire to a greater degree than that customarily recognized as normal by persons in the public service regularly engaged in preventing, suppressing, or extinguishing fires; or, which may obstruct, delay, hinder, or interfere with the operations of the fire department or the egress of occupants in the event of fire.

FIRE LANE. Any area appurtenant to entrances or exits of a building deemed necessary by the Fire Chief to remain free and clear of parked vehicles for access to such building in case of fire or other emergency and designated by him/her as such, and may include sidewalks, driveways, portions of parking lots, or any other area adjacent to or near building entrances or exits or any fire hydrant.

FIRE WATCH. Qualified individuals are defined as State Certified Fire Inspectors assigned to the City's Fire Prevention Division, or, if approved by the fire code official, Texas Certified Firefighters, Peace Officers, individuals employed by a private security firm, or other designated individuals whose sole duty when assigned a fire watch is to perform constant patrols of the premises and keep watch for signs of unwanted fire. A written attendance log must be maintained and personnel must have at least one approved means of notifying the fire department of fire or other emergencies.

HIGH WINDS. Sustained wind velocity of 15 mph or gusts of 25 mph.

MOBILE FOOD UNIT. A mobile food operation using any heat producing equipment to cook, fry, or warm products for consumption from a motorized vehicle, towable trailer, or watercraft.

(145) Section 307.1 is deleted and replaced with a new section to read as follows:

307.1 General. Except for domestic purposes to include cooking food or heating, open burning of any material, to include leaves, trash, yard debris, and any vegetation is prohibited.

Exception: When authorized and supervised by the fire department, open burning for ceremonial or training purposes, such as a flag retirement or live fire training by and for fire department personnel is allowed.

(156) Sections 307.2, 307.2.1, 307.4, 307.4.1, and 307.4.2 are deleted.

(167) A new Section 307.6 is added to read as follows:

307.6 Sky lanterns. Sky lanterns, also known as Chinese lanterns, sky candles, or fire balloons, and which are airborne lanterns constructed of combustible material and contain a candle or fuel cell that when lit, cause the device to go airborne and travel in the air are prohibited.

(178) A new Section 308.1.1.2 is added to read as follows:

308.1.1.2 Commercial barbeques. A permit shall be obtained from the fire code official to install or utilize a barbeque pit for commercial purposes.

(189) Section 308.1.4 is deleted and replaced with a new section to read as follows:

308.1.4 Open-flame cooking devices. Charcoal grills and other similar devices used for cooking may not be constructed, installed, stored, maintained, located, or used on combustible balconies, decks, or within 10 feet of combustible construction.

Exception: One- and two-family dwellings.

~~(19) A new Section 319.4.1.1 is added to read as follows:~~

~~**319.4.1.1 Fire protection for cooking equipment.** Mobile food units not equipped with a fire protection system as required under this code must meet a distance of not less than 50 feet from any structure.~~

(20) A new exception is added to Section 503.1.1 to read as follows:

3. For any one or two family dwelling that the fire code official determines is unable to meet the requirement of 503.1.1, the driveway shall have an unobstructed width of not less than 12 feet (6096 mm), except for approved security gates in accordance with Section 503.6 and an unobstructed vertical clearance of not less than 13 feet, 6 inches (4115 mm).

(21) Section 503.2.1 shall be amended by substituting “20 feet (6096 mm)” with “23 feet (7010.4 mm).”

(~~21~~2) A new Section 503.2.1.2 is added to read as follows:

503.2.1.2 Mountable/Rollover curbs. Mountable or rollover curbs are permitted when approved by the fire code official. Upon approval, such curbs must meet the City's public improvement specifications.

(23) Section 503.2.3 shall be deleted and replaced with the following:

503.2.3 Surface. Fire apparatus access roads shall be designed and maintained with a surface of cement or asphalt so as to support the imposed load of fire apparatus weighing up to 75,000 pounds (34,050 kg). A signed and sealed letter from a civil engineer shall be provided to verify the design meets these standards.

(~~22~~4) Section 503.2.4 is deleted and replaced with a new section to read as follows:

503.2.4 Turning radius. The required turning radius of a fire apparatus access road shall be determined by the fire code official. The turning radii of a fire apparatus access roadway requires a minimum of 50 feet outside radius and a minimum of 25 feet clear distance to the inside radius on all turns.

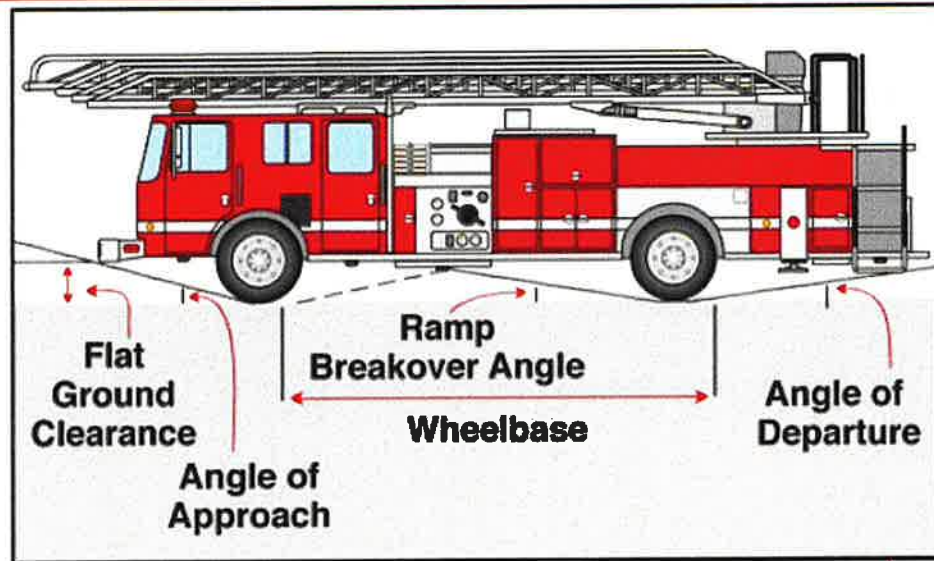
(~~23~~5) Section 503.2.7 is deleted and replaced with a new section to read as follows:

503.2.7 Grade. The gradient for a fire apparatus access road may not exceed ten percent (10%).

(~~24~~6) Section 503.2.8 is deleted and replaced with a new section to read as follows:

503.2.8 Angles of approach and departure. An angle of approach and an angle of departure must be designed so that at least 8 degrees is maintained at the front and the rear of the fire department's apparatus when loaded to the estimated in-service weight.

Points of Potential Contact of Aerial Apparatus



Aerial Apparatus Driver/Operator
5-23



(257) Section 503.3 is deleted and replaced with a new section to read as follows:

503.3 Marking. Where the fire code official requires approved signs or other approved notices, such signs shall be provided for fire apparatus access roads to identify such roads or prohibit the obstruction thereof. Signs or notices shall be maintained in a clean and legible condition at all times and replaced or repaired when necessary to provide adequate visibility. Whenever any provision regarding the regulation of fire lanes contained in the code is in conflict with the provisions of this section, the provisions of this section will apply. The owner of a building or property for which fire lanes have been approved or required by the fire code official shall mark and maintain said fire lanes as follows.

(a) Fire lanes may not be located immediately adjacent to a structure if other possible locations exist that are not immediately adjacent but close enough to give sufficient access to at least three sides of the structure. The minimum corner radius on the turns must be 25 feet on the inside and 50 feet on the outside.

(b) All curbs and curb ends must be painted red with white lettering 4 inches high and at least one half-inch (1/2") stroke, stating "NO PARKING – FIRE LANE." Wording may not be spaced more than 25 feet apart. Fire lanes must be marked on both sides of access roads so as to assure a minimum of ~~20~~23-26 foot clear width in the middle of said access roads.

(c) In areas where fire lanes are required but no continuous curb is available, one of the following methods must be used, in conjunction with curb markings where possible, to indicate that the fire lane is continuous:

(i) Signs may be not less than twelve inches (12") wide by eighteen inches (18") tall. Signs must read "NO PARKING-FIRE LANE" and have a white, reflective background with red lettering not less than two inches (2") tall and with three-eighths inch (3/8") stroke. Signs must be installed conspicuously along the edge of the fire lane, spaced no greater than 25 feet apart, alternating on either side of the road, and their height must equal 6 feet to the bottom of the sign.

(ii) From the point the fire lane begins to the point the fire lane ends, including behind all parking spaces which adjoin a fire lane, there must be painted one continuous red stripe having a minimum width of at least six inches (6"). Fire lanes must be stenciled every 25 feet apart "NO PARKING FIRE LANE" with white lettering four inches (4") high and at least one half-inch (1/2") stroke. Fire lanes must be so marked on both sides of the lane.

(~~26~~8) A new Section 503.3.1 is added to read as follows:

503.3.1 Maintenance of markings. The owner of a building or property on which a fire apparatus access roadway or fire lane is required shall be solely responsible for the maintenance of such roadways or fire lanes and all required signs. No such person(s) shall abandon, close, or alter the fire apparatus roadway or any part thereof without permission of the fire chief. The owner shall be responsible for ensuring that the fire apparatus roadways are clear at all times.

(~~27~~9) Section 503.6 is deleted and replaced with a new section to read as follows:

503.6 Security Gates. The installation of a security gate across a fire apparatus access road must first be approved by the fire chief. Where a

security gate is authorized, such gate must include ~~a siren-operated sensor and/or~~ manual access controls (KNOX Gate opener). ~~The siren-operated sensor must open the gate when approached by a fire emergency apparatus. Manual access controls must open the gate during non-emergency responses and serve as a backup in the event that the siren-operated sensor fails to operate.~~ The owner is responsible for maintaining the access controls ~~and the siren-operated sensor system~~ at all times so that the gate remains accessible for emergency access. Electric gate operators, where provided, must be listed in accordance with UL 325. Gates intended for automatic operation must be designed, constructed and installed to comply with the requirements of ASTM F 2200.

(28 30) Section 506 is deleted and replaced with a new section to read as follows:

506.1 Key boxes required. The following structures and properties must be equipped with a key lock security system box at or near their main entrance or at such other location and/or specification as the fire code official may require:

- (a) Structures that are either equipped with, or required to be equipped with, fire sprinkler systems or fire systems or fire detection alarm systems that report to an alarm monitoring center;
- (b) Multi-family residential structures that have restricted access through locked doors or gates and that have a common area or corridor for access to the living units;
- (c) Buildings that contain 6 or more occupancies within the same structure that have restricted common entryways and exit ways into the common area of the building.
- (d) Properties having mechanical gates that control vehicular and pedestrian access to commercial property or to private streets in subdivisions, apartment complexes, condominiums, or other residential developments which contain more than two residential units; or
- (e) Commercial properties with parking garages or secured parking and storage unit areas that will restrict access for emergency services.

Exception: Single family residential dwellings

506.2 New construction. All newly constructed structures subject to this section must have the key lock box installed and operational prior to

the issuance of an occupancy permit. Any existing structure subject to the key lock box requirement that does not have a key lock box installed and operational must have the same installed as soon as practicable, but in no event later than 30 days after the effective date of these regulations.

506.3 Type of key lock box required. The fire code official shall designate the type of key lock box system to be implemented within the City and shall have the authority to require owners of all structures and/or properties to use the designated system.

506.4 Access to buildings. The owner of a structure and/or property required to have a key lock box shall at all times keep the required keys in the lock box that will allow for access to the structure or property. Required keys must not include keys to individual living units.

(~~29~~ 31) Section 507.3 is deleted and replaced with a new section to read as follows:

507.3 Fire flow. The approved method to determine the required fire-flow for buildings or portions of buildings and facilities must comply with Appendix B of this code.

(32) Section 507.5.1.1 is amended by substituting “100 feet (30 480 mm)” with “75 feet (22 860 mm).”

(~~30~~ 3) Section 901.4.~~67~~ is deleted and replaced with a new section to read as follows:

901.4.~~67~~ **Pump and riser room size.** The main fire sprinkler valve assembly and riser area must be installed inside the building. The fire chief may require a door that provides direct access from the exterior wall into the room containing fire sprinkler controls. The main fire sprinkler valve assembly and riser area must be installed in accordance with NFPA 13 and must be equipped with a listed double horizontal or vertical backflow prevention device(s) sized to match the riser piping. Clearance around the fire riser and other equipment may not be less than 36 inches. This room must be designed and used for fire protection and fire detection equipment only. Fire pump and automatic sprinkler system riser rooms must be provided with a door(s) and an unobstructed passageway large enough to allow removal of the largest piece of equipment.

(314) A new Section 901.4.67.5 is added to read as follows:

901.4.67.5 Exterior identification of main fire sprinkler valve assembly and riser area. Where an exterior access door is required by the fire chief, a weatherproof horn and strobe unit must be installed on the exterior wall outside of the main fire sprinkler valve assembly and riser area. The horn and strobe unit must be installed according to the requirements for a water-flow notification appliance referenced in NFPA 13 and interconnected to actuate concurrently with the water-flow alarm-initiating device of the system, but its placement is in addition to the minimum requirements for water-flow alarm, unless otherwise approved by the fire chief.

(325) Section 901.5 is deleted and replaced with a new section to read as follows:

901.5 Installation Acceptance Testing. Fire detection and alarm systems, fire-extinguishing systems, fire hydrant systems, fire standpipe systems, fire pump systems, private fire service mains, and all other fire protection systems and appurtenances thereto must be subject to acceptance tests as contained in the installation standards and as approved by the fire code official. The fire code official must be notified before any required acceptance testing. The fire code official shall witness all required acceptance tests for all these systems.

(336) A new Section 903.3.1.4 is added to read as follows:

903.3.1.4 NFPA 13D sprinkler system. If by definition, a one- and two-family dwelling is defined as an R1 occupancy, a 13D dedicated system, at a minimum, is required to be installed. A 13D multi-purpose system is not allowed under this application.

(347) Section 906.1 is amended by deleting the exceptions.

(358) A new Section 912.2.1.1 is added to read as follows:

912.2.1.1 Remote Fire Department Connections. Remote fire department connections ("FDC(s)") must be located at a distance of 1½ times the building or structure height or at least 40 feet away from the building, whichever is greater; and in a remote location approved by the fire code official. FDCs must be located within 75 feet of a fire hydrant and 25 feet of a fire lane; a minimum of two (2) feet above finished grade and a maximum of four (4) feet above finished grade for standard inlets; and a minimum of 30 inches at lowest point above finished grade and

maximum of four (4) feet above finished grade for the five inch (5") inlet. The approval of the fire code official is required as to the location of any freestanding FDCs.

(369) A new Section 912.5.1 is added to read as follows:

912.5.1 Signs. All signs utilized for the following must be as listed below for FDC and Dry Stand Pipe Only and comply with the following:

- (a) constructed from a 15 inches high by 18 inches wide metal substrate no thinner than .063";
- (b) have rounded corners;
- (c) background color must be "Fire Engine Red" non-reflective; and
- (d) white reflective letters must be used as follows:
 - (i) letters must be a font comparable to "Folio medium" or "Helvetica medium";
 - (ii) first line must be six inch (6") high letters with three inch (3") spacing between letters;
 - (iii) second and third lines shall be two inch (2") high letters with one-half inch (½") spacing between letters;
 - (iv) must be a one inch (1") margin completely around sign and one inch (1") spacing between lines of text;
 - (v) must be two inch (2") spacing between complete words;
 - (vi) second line must have the building address numbers; and
 - (vii) where applicable, the third line shall have the building number (alpha or numeric as assigned by Kerr County 911) if the FDC system supplies the fire sprinkler system to only one building in a multi-building complex or the individual lease space number where the FDC only supplies a sprinkler system to an individual lease space.
- (e) The sign must be permanently attached to a wall directly above a wall mounted FDC on existing buildings and subject to the following:

(i) where sign is attached to an existing building, it must be 72 inches from the ground to the bottom of sign, unless otherwise approved by the fire code official; and

(ii) where the sign is to be mounted to a remote FDC, it must be mounted on a galvanized steel pipe, such as a chain link fence post. The post must be mounted behind the FDC within 1 to 1½ feet from the FDC or an area approved by the fire code official. The post must be set in concrete below ground. The sign must be mounted to the post four to six inches (4-6") above the FDC. The sign must be mounted to the post using stainless one-way screws or stainless bolts using a stainless locking nut. The post must be cut to four inches (4") above the sign and a cap placed on top of the post.

(~~37~~ 40) A new Section 912.6.1 is added to read as follows:

912.6.1 Backflow Prevention. When distance from City tap to riser is greater than 100 feet, the backflow prevention must be placed at the tap in a vault. Where such distance is less than 100 feet, the backflow prevention may be placed on the riser.

(~~38~~ 41) A new Section 1003.8 is added to read as follows:

1003.8 Special Provisions. Rooms in E occupancies used for kindergarten or daycare with children age 5 or under may not be located above or below the first story.

(~~39~~ 42) A new Section ~~1010.1.10.3~~ 1010.2.8.5 is added to read as follows:

~~1010.1.10.3~~ 1010.2.8.5 **Exit hardware.** Panic and fire exit hardware is required on all exit doors with the exception the main/front door in all commercial occupancies. Regardless if additional exit doors are required by this code or placed at the request of owner or occupant, additional exit doors must also have panic and fire exit hardware with self-closures installed.

(~~40~~ 3) A new Section 2301.7 is added to read as follows:

2301.7 Responsibility for cleanup. A person responsible for any unauthorized discharge shall institute and complete all actions necessary to remedy the effects of such unauthorized discharge, whether sudden or gradual. When the fire code official deems necessary to minimize damage or to protect public health, safety or welfare, the City

may initiate cleanup. Costs associated with such cleanup must be borne by the person responsible for the unauthorized discharge. Costs incurred by the City for the cleanup must be reimbursed to the City within 10 days after written demand.

(~~414~~) A new Section 2303.2.2 is added to read as follows:

2303.2.2 Additional emergency disconnect for attended self-service. Attended facilities must have an additional emergency disconnect switch located inside the building for attendant use at a location approved by the fire code official.

(~~425~~) A new Section 2304.3.8 is added to read as follows:

2304.3.8 Additional fire protection devices. Additional fire protection must be provided where required by the fire code official. Additional fire protection considerations may include such items as fixed suppression systems, automatic fire detection, manual fire alarm stations, and/or transmission of alarms to offsite locations.

(~~426~~) A new Section 4106.4.2.1 is added to read as follows:

4106.4.2.1 Fire protection for cooking equipment. Mobile food units not equipped with an automatic extinguishing system but that produce grease laden vapors must meet a distance of not less than 50 feet from any structure or parked, unattended vehicles.

(~~437~~) A new Section 5607.16 is added to read as follows:

5607.16 Blasting permits.

(a) *General requirements for blasting permits.* An operational permit is required from the City prior to the commencement of blasting operations. The fire code official shall deny issuing the permit when in his or her opinion a substantial danger exists to life, health, or property in the immediate area exposed to the blasting for which a permit is being requested. Should no such condition exist, the fire code official shall seek the review and approval of City departments which may be affected by such activities. When in the opinion of the fire code official such departments have a valid objection to the issuance of a permit, no permit may be approved until such objection has been resolved to the satisfaction of the fire code official.

(b) *Insurance requirements.* Any applicant for a blasting permit shall meet the following insurance requirements:

WORKERS' COMPENSATION - as required by law

COMPREHENSIVE GENERAL LIABILITY -

\$1,000,000.00 per occurrence

\$2,000,000.00 annual aggregate

AUTOMOBILE LIABILITY -

\$10,000.00 each occurrence

\$250,000.00 medical

Each insurance policy must name the City as an additional insured on the certificate of insurance. The policies must include a waiver of subrogation in favor of the City. The certificate of insurance must provide that the City will be provided at least 30 days prior written notice of cancellation or modification of coverage.

(c) *General requirements for blasting permit.* A blaster shall:

(i) be at least 21 years of age;

(ii) have general knowledge of federal, state, and local laws and regulations pertaining to explosive materials; and

(iii) Have no record of criminal charges or convictions relating to blasting activities from a federal, state, county, or municipal court.

(d) *Blast monitor required.* A blast monitor, such as a seismic blast recording machine, and a monitoring technician not employed by a blasting operator is required during all blasting operations. Monitoring technicians must be trained in the proper placement of monitor sensors and proper function of the instrument to be used. All monitoring reports must carry the seal of a State of Texas Professional Engineer and must be retained by the permit holder. These reports must be made available to the City upon request.

EXCEPTION: When, in the opinion of the City Engineer, the damage to structures or buildings due to blasting operations is unlikely, (a) the requirements for the need for a monitor may be waived; or, (b) the fire code official may allow a trained blasting operator, rather than an independent technician, to operate the monitor and maintain the required records.

(e) *Wire specifications.* Blasting trunk wire of 18 gauge minimum must be used while conducting blasting operations.

(f) *Blasting machine specification.* Approved blasting machines must be used. All other equipment is prohibited.

(g) *Detonating cord use.* A detonating cord may be used only when approved by the blasting permit. Unauthorized use of detonating cord will result in the revocation of the blasting permit and is unlawful.

(h) *Additional conditions.* The fire code official or City Engineer may establish or require other conditions for approval of a permit application if those conditions are necessary, in the judgment of the fire code official or City Engineer, to adequately protect public health, safety, and welfare. Such conditions may include: reduction of allowable particle velocities; additional monitoring requirements; modifications to permissible hours of operation; changes in type and amount of explosives used; and requirement that blasting plans be approved by a professional engineer.

(448) A new Section 5608.1.1 is added to read as follows:

5608.1.1 Prohibition of sale or shooting of fireworks inside city limits; exception. It is unlawful for any person to possess, sell, use, shoot, discharge, explode, ignite, or display any fireworks within the City, except as provided in this section. A public fireworks displays is permissible provided that all state and local laws are met and a permit is issued by the City. The applicant shall meet the insurance requirements specified below as a prerequisite to obtaining a permit. Insurance requirements for a public fireworks display must include commercial general liability insurance. All insurance must name the City as an additional insured and the insurance certificates must provide that the City is provided 30 days prior written notice of cancellation or modification of coverage. Insurance must include a waiver of subrogation in favor of the City. The insurance provided by the supplier and/or operator also must name the sponsor as an additional insured. Any applicant for a fireworks display permit must meet the following insurance requirements:

AGGREGATE –
\$3,000,000.00 combined single limit.

Bodily injury/property damage per occurrence \$1,000,000.00 combined single limit.

Personal injury \$500,000.00

Medical \$5,000.00

No such permit will be granted to any applicant more than twice during any calendar year. A fireworks display must be concluded not later than 10:00 p.m. on the date specified.

As used in this Section, the term “fireworks” is given its usual and ordinary meaning and includes the following: firecrackers, Roman candles, sparklers, torpedoes, buzz bombs, skyrockets, atomic wings, aerial flash salutes, and trailblazers.

(459) Section 5704.2.9.6.1 is amended to add the following Zoning Districts as to where such storage tanks are prohibited: RE, R-1, R-1A, R-2, R-3, RM, RT, C-1, DAC, and MU.

(4650) A new Section B105.4 is added to read as follows:

B105.4 Fire Flow Testing. Where a fire flow test(s) is required, a person must submit an application and the applicable fee to the City for the City to perform such test. The City shall conduct the test by utilizing a modeling system. If for any reason a live fire flow is requested or a person seeks an alternative method for testing, the City Engineer must approve. Fire flow testing data is only valid for one (1) year (12 months) from the date of test. Projects relying on fire flow testing data shall be designed and submitted within one (1) year (12 months) of fire flow test date.

(47 51) The following notes under Table C102.1 are deleted: f and g.

(48 52) A new Section C103.4 is added to read as follows:

C103.4 Additional Distribution. A fire hydrant must be located not more than 75 feet from an unobstructed and approved route to a fire department connection (FDC) located at ground level. The FDC may be installed in an approved remote location and within 75 feet to a fire hydrant. This distance and route is as approved by the fire code official.

(49 53) A new Section C103.5 is added to read as follows:

C103.5 Hydrant location in relation to a building or structure. A fire hydrant must be located remotely 1.5 times the building height or 40 feet from the building or structure, whichever is greater. This distance and route is as approved by the fire code official.

(54) Section D102.1 is deleted and replaced with a new section to read as follows:

D102.1 Access and loading. Facilities, buildings or portions of buildings hereafter constructed shall be accessible to fire department apparatus by way of an approved fire apparatus access road designed and maintained with a surface of cement or asphalt so as to support the imposed load of fire apparatus weighing up to 75,000 pounds (34,050 kg) in compliance with Section 503.2.3.

(505) ~~Figure Table D103.14~~ is deleted and replaced with a new section to read as follows~~amended to add the following:~~

Dead-End Fire Apparatus Access Road Turnaround. Any street 150 feet long or longer must have a hammerhead or cul-de-sac at its end, which dimensions must be no smaller than the dimensions set out in Figure D103.1. Dead-end turnarounds are only permitted as one of the following: an Acceptable Alternative 120 foot Hammerhead, a round cul-de-sac with a 100 foot diameter, or a 150 foot hammerhead.

NOTE: See IFC Appendix D, Figure D103.1, diagram No. 4 amended from 60 foot distance from edge of hammerhead to middle of intersection, to 75 foot distance from edge of hammerhead to middle of intersection.

(56) Section D104.1 is deleted and replaced with the following:

D104.1 Buildings exceeding three stories or 30 feet in height. Buildings or facilities exceeding 30 feet (9144 mm) or three stories in height as measured from the base plane at any portion of the building to the top of the roof shall have no fewer than two means of fire apparatus access for each structure.

(57) Section D105.1 is deleted and replaced with a new section to read as follows:

D105.1 Where required. Where the vertical distance between the grade plane at any portion of the building and the highest roof surface exceeds 30 feet (9144 mm), approved aerial fire apparatus access roads shall be provided.

(518) Section D107.1 is deleted and replaced with a new section to read as follows:

D107.1 One- or two-family dwelling residential developments. Developments of one- or two-family dwellings where the number of dwelling units will exceed 60 units shall be provided with two separate fire apparatus access roads, subject to approval from the fire code official.

Exceptions and conditions:

1. Where all dwelling units are or will be equipped with an approved automatic sprinkler system in accordance with Section 903.3.1.1, 903.3.1.21 or 903.3.1.3.
2. The number of dwelling units on a single fire apparatus access road shall not be increased unless fire apparatus access roads will connect with a future development, as determined by the fire code official.
3. Where there are or will be more than 60 but less than 120 dwelling units on a single public or private fire apparatus access road and the access road is built as a collector street, as approved by the City. All single access (non-looped) streets within the subdivision must be built and approved as collector streets.

(5259) Section D107.2 is deleted and replaced with a new section to read as follows:

D107.2 Remoteness. Where two fire apparatus access roads are required, such roads shall be placed a distance apart equal to not less than one-half of the length of the maximum overall diagonal dimension of the property or area to be served, measured in a straight line between the two accesses to the development.

Exception and conditions: Where it is geographically impossible to be one-half of the maximum overall diagonal dimension apart, the secondary access road will be evaluated by the fire code official based on

meeting any one of the following; however such exceptions and conditions do not apply where the development has or will have more than 120 dwelling units:

1. The owner may acquire a secondary fire apparatus access road from an adjoining property owner(s), where such access is conveyed via a legal instrument (e.g., easement) that is filed with the County in its real property records. A copy of such filing must be provided to City.
2. The two separate fire apparatus access roads must be separated as far as physically possibly. However, at a minimum, the accesses must be 150 feet apart, measured in a straight line between the center lines of the two accesses.
3. The two separate fire apparatus entrances may share a common path of travel into and/or within the development as long as a blockage in any area of this path will not block access from both the primary and secondary access simultaneously. See Addendum D 107.1.3. above for street design specifications.

For purposes of this section, "geographically impossible" means that the area is surrounded on at least three sides (i.e., 75% of its perimeter) by natural or manmade barriers such as creeks and flood plains, a golf course, a linear park, or utility easements or its topography is such that it prohibits a designed roadway to be constructed at a maximum slope of 10% in compliance with this code.

SECTION FOUR. Chapter 50 "Fire Prevention and Protection," of the Code of Ordinances of the City of Kerrville, Texas, is amended by renumbering Section 50-4 to 50-5.

SECTION FIVE. Chapter 50 "Fire Prevention and Protection," of the Code of Ordinances of the City of Kerrville, Texas, Section 50-5 is amended with deleted language indicated by red, strikeout (~~deleted~~) and new language indicated by blue, underline (addition) as follows:

"Sec. 50-~~56~~. – National Fire Protection Association (NFPA) 1194, Standard for Recreational Vehicle Parks and Campgrounds, 201~~8~~26 Edition.

- (a) *Adoption.* The 201~~8~~26 edition of the NFPA 1194 ("NFPA 1194"), as published by the National Fire Protection Association, is adopted, to the same extent as if such Code were copied verbatim in this article, subject to amendments prescribed in this article. Copies of the NFPA 1194 shall

remain on file in the office of the city secretary, within the department of development services, and in the office of the Fire Marshal.”

SECTION SIX. Future amendments, not including clarifications or technical notices of any type, of the IFC, NFPA 101, and NFPA 1194 must be subsequently approved and adopted by City Council.

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

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

SECTION NINE. 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 in direct conflict with any of the provisions of this Ordinance are hereby expressly repealed to the extent of any such inconsistency or conflict.

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

SECTION ELEVEN. In accordance with Section 3.07 of the City Charter and Section 52.013(a) of the Texas Local Government Code, the City Secretary is hereby authorized and directed to publish the descriptive caption of this Ordinance in the manner and for the length of time prescribed by the law as an alternative method of publication. The Ordinance shall then become effective in accordance with this Charter section.

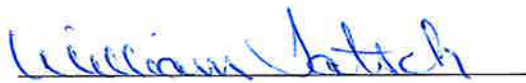
PASSED AND APPROVED ON FIRST READING, this the 11th day of August, A.D., 2026.

PASSED AND APPROVED ON SECOND AND FINAL READING, this the 25th day of August, A.D., 2026.

Joe Herring, Jr., Mayor

APPROVED AS TO FORM:

ATTEST:



William L. Tatsch, City Attorney

Shelley McElhannon, City Secretary



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

CAPTION: Ordinance No. 2026-19, 2nd reading. An Ordinance amending in part Ordinance No. 99-18, as amended, by adopting revised Rate Schedules for Residential Services, and distributed generation rider; containing a cumulative clause; containing a savings and severability clause; and establishing an effective date. *(presented by M Wittler and A Dozier, KPUB) On 8/11/26 City Council unanimously approved Ordinance No. 2026-19 on first reading.*

AGENDA DATE: August 25, 2026

DATE SUBMITTED: 08/13/2026

SUBMITTED BY:

Shelley McElhannon, City Secretary

EXHIBITS:

1. 20260811 Ord 2026-19 KPUB Rate Schedules - Residential Services
2. 20260811 KPUB-Reso 26-14 Revision of Residential Electric Rates
3. 20260811 KPUB presentation

Expenditure:

Account Number:

**Payment to/Vendor
name:**

Amount Budgeted:

Account Balance:

Kerrville 2050 Item?

No

Key Priority Area:

SUMMARY:

In 2025, Kerrville Public Utility Board (KPUB) contracted with NewGen Strategies and Solutions (NewGen) to conduct an Electric Cost of Service and Rate Design Study. The study evaluated the cost of providing electric service and recommended a rate structure designed to support long-term financial sustainability, operational resiliency, and equitable cost recovery. NewGen presented its findings and recommendations to the KPUB Board on July 16, 2025.

The study recommended revisions to the Residential Customer Charge, Distribution Charge, and Power Supply Charge beginning in Fiscal Year 2026, followed by annual adjustments to the Distribution Charge over a five-year period.

In September 2025, following the July 4, 2025 flood, the KPUB Board adopted Resolution No. 25-22 directing staff to defer implementation of the recommended fiscal year 2026 rate adjustments to provide economic relief to the Kerrville community. One

year later, KPUB recommends implementing the deferred first-year adjustments. Proposed rates, effective November 1, 2026, are as follows:

<u>Residential</u>	<u>Current</u>	<u>Proposed</u>
<u>Monthly</u>		
<u>Rate</u>		
Customer Charge	\$ 15.25	\$ 16.75
Distribution Charge (\$/kWh)	\$ 0.01680	\$ 0.02088

Monthly Residential
Bill - 1,000 kWh

Customer Charge	\$ 15.25	\$ 16.75
Distribution Charge	16.80	20.88
<u>Total Power Supply Charge*</u>	<u>77.95</u>	<u>77.95</u>
Total Bill	\$ 110.00	\$ 115.58

*Note that the total power supply charge is comprised of a base charge and an adjustment that depends on the actual cost of purchased power. The rates shown in this example reflect the Power Supply Charge in July 2026. The adjustment portion of the Power Supply Charge can change at any time based on actual power cost. In addition to the proposed base rate changes, NewGen recommended revising the methodology used to calculate the Power Cost Adjustment. The proposed methodology replaces the current multiplier with a flat per-kWh charge, consistent with industry standards. Details of the proposed calculation are attached.

KPUB's residential base rates have remained unchanged since November 2023. The proposed rate adjustment would increase the monthly bill for a residential customer using 1,000 kWh by 5%.

Attached for your review is a June 2026 residential rate survey comparing 29 electric utilities in South and Central Texas. KPUB currently has the lowest residential rate in the survey. Even with the proposed adjustments, a monthly residential bill for \$115.58 for 1,000 kWh of power would remain the second lowest in the survey.

KPUB's mission remains to be a responsive and efficient, locally-owned provider of safe and reliable utility service at the lowest responsible price. The proposed rate adjustments support that mission by providing sufficient revenue to operate and maintain the electric system while continuing to offer rates that are among the lowest in Texas.

On July 15, 2026, the KPUB Board unanimously adopted Resolution No. 26-14

approving the proposed rate adjustments. The proposed residential tariff is now submitted to the Kerrville City Council for consideration and approval.
On 8/11/26 City Council unanimously approved Ordinance No. 2026-19 on first reading.

RECOMMENDED ACTION:

Approve Ordinance No. 2026-19 on second reading.

**CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2026-19**

AN ORDINANCE AMENDING IN PART ORDINANCE NO. 99-18, AS AMENDED, BY ADOPTING REVISED RATE SCHEDULES FOR RESIDENTIAL SERVICES, AND DISTRIBUTED GENERATION RIDER; CONTAINING A CUMULATIVE CLAUSE; CONTAINING A SAVINGS AND SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the City of Kerrville, Texas, owns an electric system and manages and operates its system through its duly appointed board of trustees, the Kerrville Public Utility Board (“KPUB”), a body created pursuant to Texas law (Tex. Rev. Civ. Stat. Ann. art 1115, as amended) and Resolution No. 87-106; and

WHEREAS, KPUB, pursuant to the authority granted under Resolution No. 87-106, recently reviewed the current schedule of rates and charges for electric service and determined that various rates and charges should be adjusted to reflect current conditions and to maintain its service and bond obligations; and

WHEREAS, prior to making its recommendations, KPUB considered the report on the electric revenue requirements, cost of service, and rate design prepared by the independent consulting firm of NewGen Strategies and Solutions; and

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

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

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

- A.** The revised Residential Rate Tariff, Residential Service Rate Schedule—RS, Power Cost Adjustment Rider PCA, and Billing portion of the Service Rules and Regulations, attached to this Ordinance as **Exhibit A** and incorporated herein by reference, are hereby adopted and are applicable to all residential customers of the City’s electric system managed and controlled by the Kerrville Public Utility Board, effective November 1, 2026.

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

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

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

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

PASSED AND APPROVED ON FIRST READING, this the 11th day of August, 2026.

PASSED AND APPROVED ON SECOND AND FINAL READING, this the 25th day of August, 2026.

Joe Herring, Jr., Mayor

APPROVED AS TO FORM:



William L. Tatsch, City Attorney

ATTEST:

Shelley McElhannon, City Secretary

Proposed Rate Design

This section of the report provides a summary of the proposed rate design for each year of the Rate Plan for each major rate class. Included in this summary is an analysis of the proposed rates, including rate impacts for the selected customer types.

Residential Service Rates and Bill Comparison Analysis

Table 6-2 provides a summary of the proposed rate adjustments for the RS rate class for each year of the Rate Plan and a comparison of the rate components to the existing rate structure.

Table 6-2
Residential Rates
(Existing and Proposed)

Rate Component ⁽¹⁾	Existing	Proposed Effective October 1 st				
		2025	2026	2027	2028	2029
Customer Charge (\$/month)	\$15.25	\$16.75	\$16.75	\$16.75	\$16.75	\$16.75
Distribution Charge						
Energy (\$/kWh)	\$0.01680	\$0.02088	\$0.02496	\$0.02905	\$0.03314	\$0.03723
Demand (\$/kW)	N/A	N/A	N/A	N/A	N/A	N/A
Power Supply Charge (\$/kWh)	\$0.04060	\$0.04543	\$0.04543	\$0.04543	\$0.04543	\$0.04543

(1) Applicable PCAF not shown.

The proposed customer charge is \$16.75 for the entire five-year period. This increase in the customer charge allows for more fixed cost recovery of demand-related costs, as this class does not have a demand rate. The proposed power supply charge is designed to recover the fixed costs associated with the debt service on the new generation investment and transmission by others. For the RS rate class, the proposed power supply charge is \$0.04543 per kWh for the entire five-year period. The proposed energy rates for the RS rate class are set to generally recover the balance of the revenue requirement allocated to this customer class but allow for a phase-in over the five-year period.

RESIDENTIAL SERVICE

RATE SCHEDULE - RS

APPLICATION

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

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

CHARACTER OF SERVICE

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

MONTHLY RATE

CHARGE		AMOUNT
CUSTOMER CHARGE: Meter, Meter Reading, and Billing Charge		\$16.75
DISTRIBUTION	All kWh	\$0.02088 per kWh
POWER SUPPLY	All kWh	\$0.04543 per kWh

Plus an amount calculated in accordance with Rider PCA.

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

MINIMUM CHARGE

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

PAYMENT

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

POWER COST ADJUSTMENT RIDER PCA

APPLICATION

Applicable to all rate schedules which include sales of electric energy through kWh billing.

The monthly bill for power supply charges computed in accordance with the appropriate electric rate schedule shall be increased or decreased by the Power Cost Adjustment (PCA). The PCA is a charge per kWh that is used to ensure an adequate revenue stream to cover all power and transmission costs.

METHOD OF CALCULATION

The Power Cost Adjustment (PCA) is calculated for the current billing month using the following formulas:

Power Cost Adjustment Formulas:

$$\text{Primary Voltage PCA} = \frac{((A+B+C)-F)/(D+E)}{1-G}$$

$$\text{Secondary Voltage PCA} = \frac{((A+B+C)-F)/(D+E)}{1-H}$$

	<u>Description</u>
A	Base Year (FY2025) Actual Power Cost
B	+/- Adjustment to maintain stable rates
C	+/- Adjustment for current year prices
D	Base Year (FY2025) Actual kWh Sales
E	+/- Adjustment for current year kWh sales
F	2025 Rate Study Fixed Power Supply Costs (Debt + Transmission)
G	Assumed Loss - Primary Voltage
H	Assumed Loss - Secondary Voltage

Rates may be stabilized through over- or under-collection of power supply costs and transfers to and from the Rate Stabilization Fund within limits established by Resolution of the Kerrville Public Utility Board.

The PCA and Power Supply Charge are expressed as \$/kWh and shall both be calculated to the nearest \$.00001.

BILLING

Selection of Rate Schedule

Except as otherwise provided for commercial rate classes, Customer is solely responsible for the selection of the applicable rate schedule most favorable to Customer.

Disputed Bills

When a customer believes that the amount of any bill rendered by KPUB for service of electricity is in error, the Customer should:

1. request an explanation of the bill from the electric utility office of KPUB and if this does not resolve the matter,
2. request in writing, an investigation of the matter, setting forth all information relative to the dispute and enclosing with the request an amount equal to the Customer's average monthly usage at current rates based on the preceding twelve-month period.

KPUB will investigate the matter promptly and communicate, in writing, its findings to the Customer. Any amount overpaid by the customer shall be refunded or credited to his account. Any balance still owing by the Customer will be due immediately. If the customer is still not satisfied, a complaint can be filed with KPUB. Should this occur, the customer shall not be required to pay the disputed portion if the bill which exceeds the amount of that Customer's average monthly usage at current rates pending the completion of the determination of the dispute, but in no event more than 60 days.

KPUB will not discontinue service nor will the Customer's credit be impaired during such investigation. The customer does not waive any rights he may have by following the procedure set out above.

Payment Of Bill

Bills for service will be based upon the metered consumption, or estimated consumption if no meter reading is taken, as billed under the applicable rate schedule. They will be rendered at regular intervals, and are due and payable within sixteen(16) days from the date of issuance of the bill. The Customer will pay the net amount of the bill if paid on or before the due date. All other bills are due on presentation.

Payment of charges for connection or reconnection of service and payments of initial deposits or reinstated deposits as required under these Rules shall be made before service will be connected or reconnected.

Deferred Payment Plan

If a Customer who has not been delinquent more than twice in the past 12 months expresses inability to pay a bill, a deferred payment plan can be entered into. Under such plan, a

customer can spread payment of the current bill over three months but agrees to pay future bills as due. If, during the term of the deferred payment plan, the Customer's economic or financial circumstances change, the plan may be renegotiated. A penalty of five percent (5%) may be included in the deferred payment plan for late payment, but no finance charge will be included. Noncompliance with the terms of the deferred payment plan is cause for discontinuance of service.

Billing Periods

KPUB will read its meters at regularly scheduled periods. When for any reason the periods covered by such readings are substantially greater or less than the regular periods, bills may be computed by prorating on the basis of the regularly scheduled period covered by the meter readings.

Bills for electric service shall be rendered monthly unless service is rendered for a period of less than a month. Bills shall be rendered as promptly as possible following the reading of meters.

Estimating Bills

In the event that the scheduled reading of meters is not possible KPUB will estimate the consumption, and will render an appropriately marked estimated bill for the period involved. The bill so provided shall have the same force and effect as if they were based on actual meter readings, and shall be paid in accordance with the terms of the applicable rate schedule and Rules. An actual reading must be taken at least every three months.

Form of Bills

The Customer's bill shall show all the following information:

1. Bills based on meter readings obtained by KPUB shall show the period in which consumption occurred, the meter reading date of such period and the reading of the meter at the beginning and at the end of the period for which the bill is rendered;
2. The number and kind of units metered;
3. The applicable rate schedule, title or code;
4. The total amount due for services provided after addition of any penalty;
5. The monthly Power Cost Adjustment Factor;
6. The date by which the Customer must pay the bill in order to avoid additional billing;
7. A distinct marking to identify an estimated bill;
8. Any conversions from meter reading units to billing units, or any other calculations to determine billing units from recording or other devices, or any other factors used in determining the bill; and
9. The information appearing on the bill shall be sufficient to allow the Customer to readily compute his bill after references to the applicable rate schedule, which shall be provided to the Customer on request.

Level Payment Plan

A residential Customer may qualify for an level or average payment plan if the Customer has not been delinquent more than twice in the last 12 months. The level monthly payment shall be calculated as one-twelfth the sum of the Customer's previous 12 months consumption or estimated annual consumption applied to the current rate schedule.

The level monthly payment calculated may be adjusted quarterly for actual usage.

Adjustment of Bills for Meter Error

If a Customer believes that a meter is registering inaccurately, he may request a test to be performed during normal business hours at a time to be determined by KPUB. Such determination shall accommodate the convenience of the Customer if the Customer or his duly authorized representative desires to observe the test.

The test shall be made on the Customer's premises or at KPUB's discretion, at a test laboratory. When a meter test is performed upon request by the Customer in accordance with the foregoing, such test shall be made at no cost to the Customer, however, if the meter has been tested by KPUB, or by an authorized agency, at the Customer's request, and within a period of four years the Customer requests a new test, KPUB shall make the test, but if the meter is found to be within the accuracy standards established by the American National Standards Institute, KPUB may charge the Customer a fee which reflects the cost to test the meter. If the meter is found to be registering inaccurately, KPUB will assume the cost of the test and will adjust the Customer's bill for the effect of the error. Following the completion of any requested test, KPUB shall promptly advise the Customer of the date of the removal of the meter, the date of the test, the result of the test, and who made the test.

If any meter is found to be outside of the accuracy standards established by the American National Standards Institute, proper correction shall be made of previous readings for the period of six months immediately preceding the removal of such meter from service for the test, or from the time the meter was in service since last tested, but not exceeding six months, as the meter shall have been shown to be in error by such test, and adjusted bills shall be rendered. No refund shall be made by KPUB except to the Customer last served by the meter prior to the testing. If a meter is found not to register for any period, unless bypassed or tampered with, KPUB shall make a charge for units used, but not metered, for a period not to exceed three months based on amounts used under similar conditions during the period preceding or subsequent thereto, or during corresponding periods in previous years.

Metered Consumption Not Combined

For the purpose of calculating charges, each meter on the Customer's premises will be considered separately, and the consumption recorded by two or more meters will not be combined except as follows:

1. Where the combination of metered consumption is specifically provided for in the rate schedule.
2. Where the maintenance of adequate service and/or where KPUB's operating convenience shall require the installation of two or more meters upon the Customer's premises instead of one meter.

Overbilling and Underbilling

If billing is found to be in error, a billing adjustment shall be calculated by KPUB.

If Customer was undercharged, KPUB may backbill to collect such undercharges for billings not older than six months unless the undercharge is the result of meter tampering as defined by these Rules or unless KPUB produces records identifying and justifying additional backbilling. If underbilling is not related to meter tampering, KPUB may offer Customer a level payment plan for the same length of time as that of the underbilling.

If Customer was overcharged, KPUB shall refund Customer the full amount for the entire period of overbilling.

DISCONTINUANCE OF ELECTRIC SERVICE**Customer Discontinues Electric Service**

A Customer may request service to be disconnected at any time unless there is a provision to the contrary in the service contract or applicable rate schedule. The Customer is responsible for any use of the electric service until KPUB has had a reasonable time to secure a final reading or to remove the meter.

KPUB is not obligated, after discontinuance, to again provide electric service to Customer at the same service location unless Customer reapplies for and KPUB agrees to provide electric service.

KPUB Discontinues Electric Service

KPUB, in addition to all other legal remedies, may discontinue electric service to Customer without liability for any of the following reasons:

Discontinuance with Notice

1. Non-Payment of Bills or non-compliance with deferred payment plan
Service may be discontinued by KPUB for failure of the Customer to pay bills in accordance with these Rules if a termination notice is given after the due date and twenty-six (26) days have elapsed from the date of issuance of the bill. Customers who have elected paperless billing may receive termination notices electronically in lieu of a mailed notice.
2. Failure to comply with the terms of the Agreement for Electric Service, Special Contract, the Application for Electric Service, these Rules, or the rate schedule under which the Customer is receiving electric service.
3. Failure to comply with the terms of or make payment of required deposits or other charges as required by this Tariff for Electric Service.
4. Violation of these Rules pertaining to use of service in a manner which interferes with the service of others or the operation of non-standard equipment, if a reasonable attempt has been made to notify the Customer and the Customer is provided with a reasonable opportunity to remedy the situation.

RESOLUTION NO. 26-14

A RESOLUTION OF THE KERRVILLE PUBLIC UTILITY BOARD APPROVING THE REVISION OF THE ELECTRIC RATES CHARGED BY KPUB TO ITS RESIDENTIAL CUSTOMERS AND FORWARDING THE PROPOSED RESIDENTIAL TARIFF TO THE CITY OF KERRVILLE FOR ACTION AND APPROVAL BY THE CITY COUNCIL.

WHEREAS, in January 2025, KPUB contracted with NewGen Strategies and Solutions to perform an Electric Cost of Service and Rate Design Study; and

WHEREAS, the Study evaluated the costs of operating, maintaining, and improving KPUB's electric utility system and recommended a rate design intended to ensure that electric rates remain fair, equitable, and sufficient to support the utility's long-term financial sustainability and infrastructure investment; and

WHEREAS, the results of the Study, including recommended rate strategies to promote operational resiliency, financial stability, and equitable cost recovery while maintaining customer acceptance and minimizing administrative complexity, were presented to the Board on July 16, 2025, by Grant Rabon of NewGen Strategies and Solutions; and

WHEREAS, the Study recommended revisions to the Residential Customer Charge, Distribution Charge, and Power Supply Charge effective in the first year, followed by annual adjustments to the Distribution Charge over a five-year period; and

WHEREAS, on September 17, 2025, the Board adopted Resolution No. 25-22 directing staff to defer the fiscal year 2026 rate increase by utilizing up to \$3,400,000 from the Rate Stabilization Fund to provide economic relief to the community following the July 4, 2025 flood; and

WHEREAS, the temporary deferral is only for fiscal year 2026, making implementation of revised rates in fiscal year 2027 necessary to maintain KPUB's financial integrity; and

WHEREAS, the Board finds that the proposed residential rates are just, reasonable, nondiscriminatory, and designed to recover the cost of providing electric service while maintaining KPUB's financial stability; and

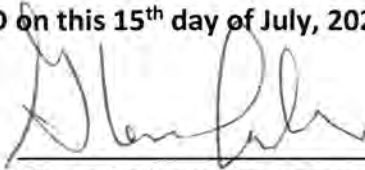
WHEREAS, revisions to residential electric rates require approval by the Kerrville City Council;

BE IT RESOLVED BY THE KERRVILLE PUBLIC UTILITY BOARD THAT:

Section 1. The above recitals are true and correct.

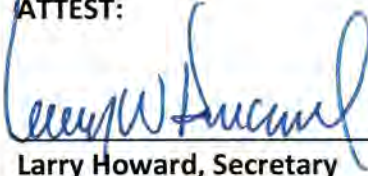
Section 2. The Board approves the revised Residential Rate Tariff, and Power Cost Adjustment ("PCA") Rider, and administrative updates to the Billing section attached hereto as Exhibit "A", as recommended by NewGen Strategies and Solutions and KPUB Staff. The General Manager is authorized and directed to forward the revised residential rate tariff and PCA Rider described herein to the Kerrville City Council for its consideration and action.

PASSED, APPROVED AND ADOPTED on this 15th day of July, 2026



Glenn Andrew, Chairman

ATTEST:



Larry Howard, Secretary

EXHIBIT A

RESIDENTIAL SERVICE RATE SCHEDULE - RS

APPLICATION

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

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

CHARACTER OF SERVICE

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

MONTHLY RATE

<i>CHARGE</i>		<i>AMOUNT</i>
CUSTOMER CHARGE: Meter, Meter Reading, and Billing Charge		\$16.75
DISTRIBUTION	All kWh	\$0.02088 per kWh
POWER SUPPLY	All kWh	\$0.04543 per kWh

Plus an amount calculated in accordance with Rider PCA.

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

MINIMUM CHARGE

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

PAYMENT

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

POWER COST ADJUSTMENT RIDER PCA

APPLICATION

Applicable to all rate schedules which include sales of electric energy through kWh billing.

The monthly bill for power supply charges computed in accordance with the appropriate electric rate schedule shall be increased or decreased by the Power Cost Adjustment (PCA). The PCA is a charge per kWh that is used to ensure an adequate revenue stream to cover all power and transmission costs.

METHOD OF CALCULATION

The Power Cost Adjustment (PCA) is calculated for the current billing month using the following formulas:

Power Cost Adjustment Formulas:

$$\text{Primary Voltage PCA} = \frac{((A+B+C)-F)/(D+E)}{1-G}$$

$$\text{Secondary Voltage PCA} = \frac{((A+B+C)-F)/(D+E)}{1-H}$$

	<u>Description</u>
A	Base Year (FY2025) Actual Power Cost
B	+/- Adjustment to maintain stable rates
C	+/- Adjustment for current year prices
D	Base Year (FY2025) Actual kWh Sales
E	+/- Adjustment for current year kWh sales
F	2025 Rate Study Fixed Power Supply Costs (Debt + Transmission)
G	Assumed Loss - Primary Voltage
H	Assumed Loss - Secondary Voltage

Rates may be stabilized through over- or under-collection of power supply costs and transfers to and from the Rate Stabilization Fund within limits established by Resolution of the Kerrville Public Utility Board.

The PCA and Power Supply Charge are expressed as \$/kWh and shall both be calculated to the nearest \$.00001.

BILLING

Selection of Rate Schedule

Except as otherwise provided for commercial rate classes, Customer is solely responsible for the selection of the applicable rate schedule most favorable to Customer.

Disputed Bills

When a customer believes that the amount of any bill rendered by KPUB for service of electricity is in error, the Customer should:

1. request an explanation of the bill from the electric utility office of KPUB and if this does not resolve the matter,
2. request in writing, an investigation of the matter, setting forth all information relative to the dispute and enclosing with the request an amount equal to the Customer's average monthly usage at current rates based on the preceding twelve-month period.

KPUB will investigate the matter promptly and communicate, in writing, its findings to the Customer. Any amount overpaid by the customer shall be refunded or credited to his account. Any balance still owing by the Customer will be due immediately. If the customer is still not satisfied, a complaint can be filed with KPUB. Should this occur, the customer shall not be required to pay the disputed portion if the bill which exceeds the amount of that Customer's average monthly usage at current rates pending the completion of the determination of the dispute, but in no event more than 60 days.

KPUB will not discontinue service nor will the Customer's credit be impaired during such investigation. The customer does not waive any rights he may have by following the procedure set out above.

Payment Of Bill

Bills for service will be based upon the metered consumption, or estimated consumption if no meter reading is taken, as billed under the applicable rate schedule. They will be rendered at regular intervals, and are due and payable within sixteen(16) days from the date of issuance of the bill. The Customer will pay the net amount of the bill if paid on or before the due date. All other bills are due on presentation.

Payment of charges for connection or reconnection of service and payments of initial deposits or reinstated deposits as required under these Rules shall be made before service will be connected or reconnected.

Deferred Payment Plan

If a Customer who has not been delinquent more than twice in the past 12 months expresses inability to pay a bill, a deferred payment plan can be entered into. Under such plan, a

customer can spread payment of the current bill over three months but agrees to pay future bills as due. If, during the term of the deferred payment plan, the Customer's economic or financial circumstances change, the plan may be renegotiated. A penalty of five percent (5%) may be included in the deferred payment plan for late payment, but no finance charge will be included. Noncompliance with the terms of the deferred payment plan is cause for discontinuance of service.

Billing Periods

KPUB will read its meters at regularly scheduled periods. When for any reason the periods covered by such readings are substantially greater or less than the regular periods, bills may be computed by prorating on the basis of the regularly scheduled period covered by the meter readings.

Bills for electric service shall be rendered monthly unless service is rendered for a period of less than a month. Bills shall be rendered as promptly as possible following the reading of meters.

Estimating Bills

In the event that the scheduled reading of meters is not possible KPUB will estimate the consumption, and will render an appropriately marked estimated bill for the period involved. The bill so provided shall have the same force and effect as if they were based on actual meter readings, and shall be paid in accordance with the terms of the applicable rate schedule and Rules. An actual reading must be taken at least every three months.

Form of Bills

The Customer's bill shall show all the following information:

1. Bills based on meter readings obtained by KPUB shall show the period in which consumption occurred, the meter reading date of such period and the reading of the meter at the beginning and at the end of the period for which the bill is rendered;
2. The number and kind of units metered;
3. The applicable rate schedule, title or code;
4. The total amount due for services provided after addition of any penalty;
5. The monthly Power Cost Adjustment Factor;
6. The date by which the Customer must pay the bill in order to avoid additional billing;
7. A distinct marking to identify an estimated bill;
8. Any conversions from meter reading units to billing units, or any other calculations to determine billing units from recording or other devices, or any other factors used in determining the bill; and
9. The information appearing on the bill shall be sufficient to allow the Customer to readily compute his bill after references to the applicable rate schedule, which shall be provided to the Customer on request.

Level Payment Plan

A residential Customer may qualify for an level or average payment plan if the Customer has not been delinquent more than twice in the last 12 months. The level monthly payment shall be calculated as one-twelfth the sum of the Customer's previous 12 months consumption or estimated annual consumption applied to the current rate schedule.

The level monthly payment calculated may be adjusted quarterly for actual usage.

Adjustment of Bills for Meter Error

If a Customer believes that a meter is registering inaccurately, he may request a test to be performed during normal business hours at a time to be determined by KPUB. Such determination shall accommodate the convenience of the Customer if the Customer or his duly authorized representative desires to observe the test.

The test shall be made on the Customer's premises or at KPUB's discretion, at a test laboratory. When a meter test is performed upon request by the Customer in accordance with the foregoing, such test shall be made at no cost to the Customer, however, if the meter has been tested by KPUB, or by an authorized agency, at the Customer's request, and within a period of four years the Customer requests a new test, KPUB shall make the test, but if the meter is found to be within the accuracy standards established by the American National Standards Institute, KPUB may charge the Customer a fee which reflects the cost to test the meter. If the meter is found to be registering inaccurately, KPUB will assume the cost of the test and will adjust the Customer's bill for the effect of the error. Following the completion of any requested test, KPUB shall promptly advise the Customer of the date of the removal of the meter, the date of the test, the result of the test, and who made the test.

If any meter is found to be outside of the accuracy standards established by the American National Standards Institute, proper correction shall be made of previous readings for the period of six months immediately preceding the removal of such meter from service for the test, or from the time the meter was in service since last tested, but not exceeding six months, as the meter shall have been shown to be in error by such test, and adjusted bills shall be rendered. No refund shall be made by KPUB except to the Customer last served by the meter prior to the testing. If a meter is found not to register for any period, unless bypassed or tampered with, KPUB shall make a charge for units used, but not metered, for a period not to exceed three months based on amounts used under similar conditions during the period preceding or subsequent thereto, or during corresponding periods in previous years.

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For the purpose of calculating charges, each meter on the Customer's premises will be considered separately, and the consumption recorded by two or more meters will not be combined except as follows:

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Overbilling and Underbilling

If billing is found to be in error, a billing adjustment shall be calculated by KPUB.

If Customer was undercharged, KPUB may backbill to collect such undercharges for billings not older than six months unless the undercharge is the result of meter tampering as defined by these Rules or unless KPUB produces records identifying and justifying additional backbilling. If underbilling is not related to meter tampering, KPUB may offer Customer a level payment plan for the same length of time as that of the underbilling.

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DISCONTINUANCE OF ELECTRIC SERVICE**Customer Discontinues Electric Service**

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KPUB Discontinues Electric Service

KPUB, in addition to all other legal remedies, may discontinue electric service to Customer without liability for any of the following reasons:

Discontinuance with Notice

1. Non-Payment of Bills or non-compliance with deferred payment plan
Service may be discontinued by KPUB for failure of the Customer to pay bills in accordance with these Rules if a termination notice is given after the due date and twenty-six (26) days have elapsed from the date of issuance of the bill. Customers who have elected paperless billing may receive termination notices electronically in lieu of a mailed notice.
2. Failure to comply with the terms of the Agreement for Electric Service, Special Contract, the Application for Electric Service, these Rules, or the rate schedule under which the Customer is receiving electric service.
3. Failure to comply with the terms of or make payment of required deposits or other charges as required by this Tariff for Electric Service.
4. Violation of these Rules pertaining to use of service in a manner which interferes with the service of others or the operation of non-standard equipment, if a reasonable attempt has been made to notify the Customer and the Customer is provided with a reasonable opportunity to remedy the situation.

Kerrville Public Utility Board

Kerrville City Council
August 11, 2026



Kerrville Public Utility Board | Safe • Reliable • Yours

Residential Bill Components

Base rates plus actual power cost recovery

Monthly Residential Bill

Customer Charge

Billing, meter reading, customer service

Distribution Charge

Local poles, wires, substations, and system maintenance

Power Supply Charge

Power purchased to serve customers



Power Supply Charge Detail

Base Rate

Fixed power supply rate set by tariff

Power Cost Adjustment (PCA)

Variable rate that adjusts for actual power supply costs



Proposed Rate Adjustment

Billed Rate for 1,000 kWh - Residential



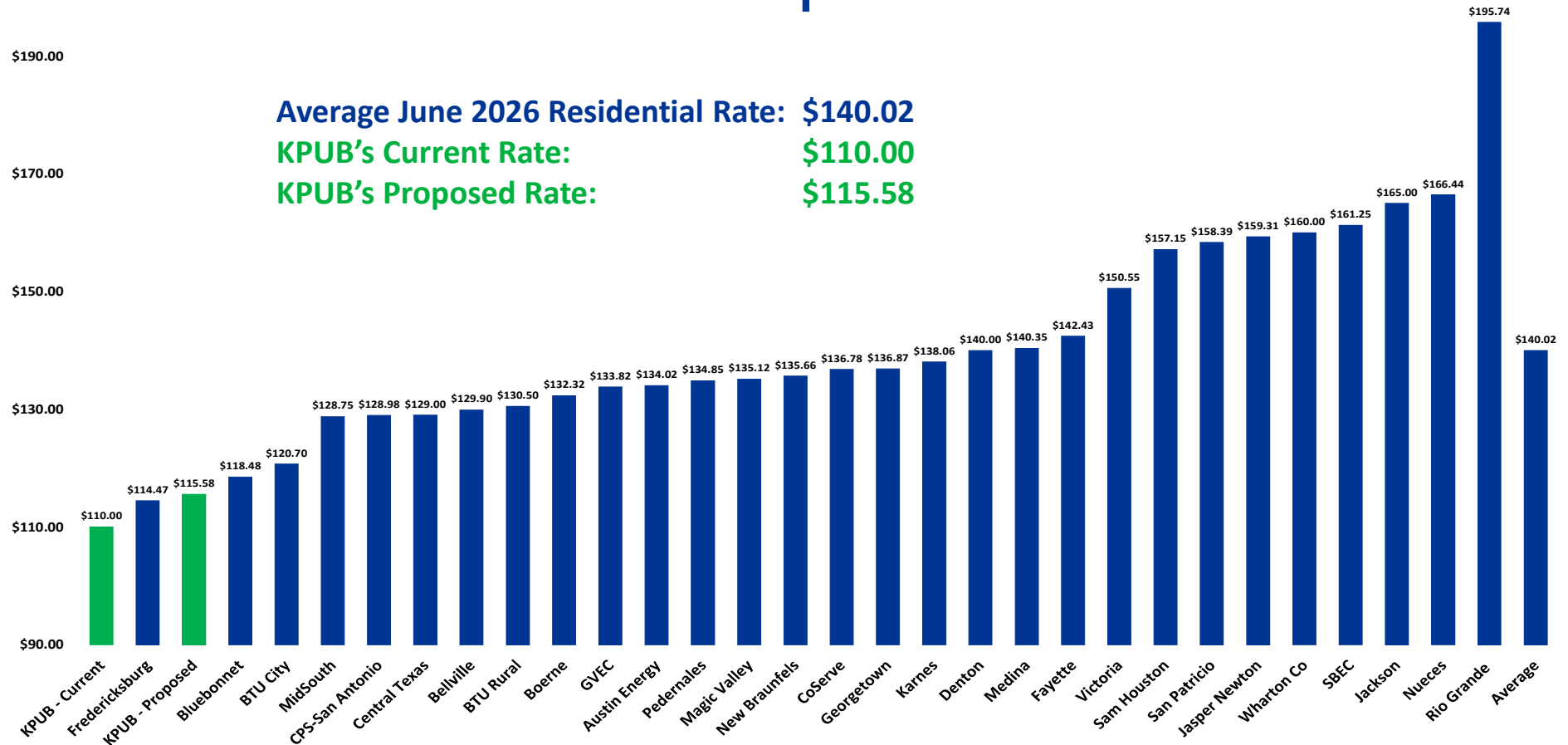
Residential Monthly Rate	Current	Proposed
Customer Charge	\$ 15.25	\$ 16.75
Distribution Charge (\$/kWh)	\$ 0.01680	\$ 0.02088
Power Supply Base Charge (\$/kWh)	\$ 0.04060	\$ 0.04543

Monthly Residential Bill - 1,000 kWh	Current	Proposed
Customer Charge	\$ 15.25	\$ 16.75
Distribution Charge	16.80	20.88
Total Power Supply Charge*	77.95	77.95
Total Bill	\$ 110.00	\$ 115.58



Customer Charge Distribution Charge Power Supply

Residential Rate Comparison – June 2026





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

CAPTION: Resolution No. 33-2026. A Resolution providing for the City's approval or disapproval of the Kerr Central Appraisal District's Fiscal Year 2027 Budget. *(presented by Sharon Constantinides, KCAD Chief Appraiser)*

AGENDA DATE: August 25, 2026

DATE SUBMITTED: 07/15/2026

SUBMITTED BY:

JULIE BEHRENS, Director of Finance

EXHIBITS:

1. 20260825 Reso 33-2026 KCAD FY27 budget

Expenditure:

Amount Budgeted:

Account Number:

Account Balance:

**Payment to/Vendor
name:**

Kerrville 2050 Item?

Key Priority Area:

No

SUMMARY:

KCAD Board adopted the attached budget. The budget is allocated across all taxing units served by the appraisal district based on each taxing unit's proportionate share of taxes imposed. The City of Kerrville pays its share on a quarterly basis. Under Tax Code § 6.06(b), a majority of the taxing units entitled to vote on the appointment of board members can disapprove a budget adopted by an appraisal district's board. Taxing units can adopt resolutions disapproving the budget and file them with the appraisal district board secretary within 30 days of adoption.

Staff recommendation is for City Council to approve the budget as presented.

RECOMMENDED ACTION:

Staff recommendation is for City Council to approve the budget as presented.

**CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 33-2026**

**A RESOLUTION PROVIDING FOR THE CITY'S APPROVAL OR
DISAPPROVAL OF THE KERR CENTRAL APPRAISAL DISTRICT'S
FISCAL YEAR 2027 BUDGET**

WHEREAS, the Kerr Central Appraisal District (KCAD) has submitted its proposed fiscal year 2027 budget to the City Council for consideration; and

WHEREAS, pursuant to state law, City Council must consider KCAD's budget and in the event Council does not approve, it must indicate this action via a resolution; and

WHEREAS, the City Council finds it to be in the public interest to either approve or disapprove of said proposed budget as indicated below;

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

The Kerr Central Appraisal District's proposed fiscal year 2027 budget, as set forth in **Exhibit A**, is _____ (*APPROVED OR DISAPPROVED*).

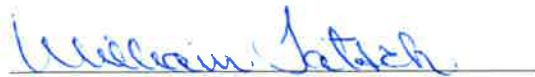
PASSED AND APPROVED ON this the _____ day of _____, A.D., 2026.

Joe Herring, Jr., Mayor

ATTEST:

Shelley McElhannon, City Secretary

APPROVED AS TO FORM:



William L. Tatsch, City Attorney

2027 Adopted Budget

Kerr Central Appraisal District

P.O. Box 294387
212 Oak Hollow Dr
Kerrville, TX 78029
(830) 895-5223

BOARD MEMBERS

Jack Burch, Chairman
Bob Reeves, CTAC, Vice-Chairman
Amy Billeiter, Secretary
Rolinda Schmidt
Rick Boles
Pete Calderon

Sharon Constantinides, RPA, CCA
Chief Appraiser

Line	Item	2026	2027	\$ Diff	% Diff	% Total
5006	Salaries	\$635,500	\$654,565	\$19,065	3.00%	45.42%
5010	Employer Portion of Ret	\$52,780	\$54,305	\$1,525	2.89%	3.77%
5012	Medicare Insurance	\$9,215	\$9,491	\$276	3.00%	0.66%
5015	Employee Medical Insur	\$139,511	\$145,292	\$5,781	4.14%	10.08%
5016	TX Employment Comm.	\$1,500	\$1,881	\$381	25.40%	0.13%
5017	Disability Insurance	\$9,000	\$9,000	\$0	0.00%	0.62%
5030	Appraisal Review Board	\$22,500	\$22,500	\$0	0.00%	1.56%
5034	Vehicle Replace. Res.	\$8,000	\$8,000	\$0	0.00%	0.56%
5035	Travel, Mileage & Maint.	\$20,000	\$20,000	\$0	0.00%	1.39%
5040	Annual Audit	\$11,850	\$11,850	\$0	0.00%	0.82%
5045	Mapping Expense	\$22,794	\$31,210	\$8,416	36.92%	2.17%
5055	Debt Service-Building	\$61,680	\$61,680	\$0	0.00%	4.28%
5070	Leased Equipment	\$6,954	\$6,954	\$0	0.00%	0.48%
5075	Telephone	\$4,674	\$3,860	(\$814)	-17.42%	0.27%
5080	Utilities	\$9,000	\$9,000	\$0	0.00%	0.62%
5085	Facilities Maintance	\$20,000	\$25,000	\$5,000	25.00%	1.73%
5090	Consultant - Appraisal	\$71,854	\$71,854	\$0	0.00%	4.99%
5100	Legal & Consultants	\$50,000	\$50,000	\$0	0.00%	3.47%
5102	Legal ARB	\$2,000	\$2,000	\$0	0.00%	0.14%
5105	Liab-Workers Comp-Blding-FF&E Insurance	\$16,000	\$17,000	\$1,000	6.25%	1.18%
5110	Taxpayer Assist & Ed	\$4,000	\$4,000	\$0	0.00%	0.28%
5115	Appraisal Guides & Tools	\$23,850	\$23,850	\$0	0.00%	1.66%
5120	Schools/Employee Ed.	\$10,000	\$10,000	\$0	0.00%	0.69%
5130	Postage	\$40,000	\$45,000	\$5,000	12.50%	3.12%
5135	Printing	\$15,000	\$20,000	\$5,000	33.33%	1.39%
5136	Professional Dues	\$2,500	\$2,500	\$0	0.00%	0.17%
5140	Office Supplies	\$10,000	\$10,000	\$0	0.00%	0.69%
5145	Furni., Fixture & Equip	\$6,000	\$6,000	\$0	0.00%	0.42%
5150	Board of Directors	\$1,200	\$1,200	\$0	0.00%	0.08%
5155	Equip. Maint & Reserve	\$1,000	\$1,000	\$0	0.00%	0.07%
5170	Building Reserve	\$2,500	\$2,500	\$0	0.00%	0.17%
5180	Software Support	\$94,008	\$99,299	\$5,291	5.63%	6.89%
5200	Banking Fees	\$200	\$200	\$0	0.00%	0.01%
TOTAL TOTALS		\$1,385,070	\$1,440,991	\$55,921	4.04%	100.00%

5006 Salaries:

* Indicates Registered Professional Appraiser (RPA) designation through the Texas Department Of Licensing and Registration.

Positions	2026	2027				Years of Experience
Chief Appraiser	\$112,500	\$112,500	\$0	0.000%		42
Deputy of Appraisal	\$72,000	\$72,000	\$0	0.000%		25
Deputy of Operations	\$72,000	\$72,000	\$0	0.000%		24
GIS/Abstractor	\$65,000	\$65,000	\$0	0.000%		28
AG Appraiser-RPA	\$49,500	\$49,500	\$0	0.000%		12
BPP Appraiser-RPA	\$50,500	\$50,500	\$0	0.000%		10
Appraiser-RPA	\$48,500	\$48,500	\$0	0.000%		6
Appraiser-II	\$41,500	\$41,500	\$0	0.000%		2
Appraiser-II	\$41,500	\$41,500	\$0	0.000%		2
Appraiser-II	\$41,500	\$41,500	\$0	0.000%		2
Exemption Clerk	\$41,000	\$41,000	\$0	0.000%		4
Cola/Merit Increases	\$0	\$19,065	\$19,065			

Positions	2026	2027				Years of Experience
Chief Appraiser	\$112,500	\$112,500	\$0	0.000%		42
Deputy of Appraisal	\$72,000	\$72,000	\$0	0.000%		25
Deputy of Operations	\$72,000	\$72,000	\$0	0.000%		24
GIS/Abstractor	\$65,000	\$65,000	\$0	0.000%		28
AG Appraiser-RPA	\$49,500	\$49,500	\$0	0.000%		12
BPP Appraiser-RPA	\$50,500	\$50,500	\$0	0.000%		10
Appraiser-RPA	\$48,500	\$48,500	\$0	0.000%		6
Appraiser-II	\$41,500	\$41,500	\$0	0.000%		2
Appraiser-II	\$41,500	\$41,500	\$0	0.000%		2
Appraiser-II	\$41,500	\$41,500	\$0	0.000%		2
Exemption Clerk	\$41,000	\$41,000	\$0	0.000%		4
Cola/Merit Increases	\$0	\$19,065	\$19,065			
TOTALS	\$635,500	\$654,565	\$19,065	3.000%		

Total Benefits:

<u>Position</u>	<u>2027 Salary</u>	<u>Medical</u>	<u>Retirement</u>	<u>Medicare</u>	<u>Unemp</u>	<u>Disability</u>	<u>Totals</u>
Chief Appraiser	\$112,500	\$13,208	\$9,000	\$1,631	\$136	\$818	\$137,294
Dep-Operations	\$72,000	\$13,208	\$5,760	\$1,044	\$136	\$818	\$92,966
Dep-Appraisals	\$72,000	\$13,208	\$5,760	\$1,044	\$136	\$818	\$92,966
BPP Appraiser	\$50,500	\$13,208	\$4,040	\$732	\$136	\$818	\$69,435
Appraiser-RPA	\$48,500	\$13,208	\$3,880	\$703	\$136	\$818	\$67,246
AG Appr-RPA	\$49,500	\$13,208	\$3,960	\$718	\$136	\$818	\$68,340
Appraiser-II	\$41,500	\$13,208	\$3,320	\$602	\$136	\$818	\$59,584
Appraiser-II	\$41,500	\$13,208	\$3,320	\$602	\$136	\$818	\$59,584
Appraiser-II	\$41,500	\$13,208	\$3,320	\$602	\$136	\$818	\$59,584
GIS/Abstractor	\$65,000	\$13,208	\$5,200	\$943	\$136	\$818	\$85,305
Exemp Spec	\$41,000	\$13,208	\$3,280	\$595	\$136	\$818	\$59,037
Cola/Merit Increases	\$19,065		\$1,525	\$276			\$20,867
Totals	\$654,565	\$145,292	\$52,365	\$9,491	\$1,500	\$9,000	\$872,213

<u>Position</u>	<u>2027 Salary</u>	<u>Medical</u>	<u>Retirement</u>	<u>Medicare</u>	<u>Unemp</u>	<u>Disability</u>	<u>Totals</u>
Chief Appraiser	\$112,500	\$13,208	\$9,000	\$1,631	\$136	\$818	\$137,294
Dep-Operations	\$72,000	\$13,208	\$5,760	\$1,044	\$136	\$818	\$92,966
Dep-Appraisals	\$72,000	\$13,208	\$5,760	\$1,044	\$136	\$818	\$92,966
BPP Appraiser	\$50,500	\$13,208	\$4,040	\$732	\$136	\$818	\$69,435
Appraiser-RPA	\$48,500	\$13,208	\$3,880	\$703	\$136	\$818	\$67,246
AG Appr-RPA	\$49,500	\$13,208	\$3,960	\$718	\$136	\$818	\$68,340
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GIS/Abstractor	\$65,000	\$13,208	\$5,200	\$943	\$136	\$818	\$85,305
Exemp Spec	\$41,000	\$13,208	\$3,280	\$595	\$136	\$818	\$59,037
Cola/Merit Increases	\$19,065		\$1,525	\$276			\$20,867

It is in the best interest of taxpayers as well as the taxing entities for the district to retain well trained and educated employees. Hiring from other districts for appraisers with an RPA designation and employees with experience and training has heightened due to the Comptroller's MAPS Review. The time required for an employee to earn their RPA designation takes approximately 5 years at a cost of more than \$20,000 to the district. It is vital that Kerr CAD remain competitive with other appraisal districts. There will be a total of 11 staff positions this year unchanged from last year.

The total salary line item for 2027 is \$654,565 which reflects an increase of 3% from 2026. We are required by the Methods Assistance Program administered by the State of Texas Property Tax Assistance Division to display each employee's salary and benefits as well as the total salary and benefits for each employee. The total for salaries plus benefits is \$872,213 an increase of 3.152% over 2026.

5010 - Employers Retirement: KCAD has an independent employee retirement plan through John Hancock. All employees are required to participate in this plan. The Kerr CAD Board of Directors has elected to fund 8% of the employee's salary for their retirement plan. Employees also match an 8% contribution from their salary. Details as shown below:

Total Salaries	\$	654,565
KCAD Matching Percentage	\$	<u>X 0.08</u>
KCAD Contribution	\$	52,365
Administration Fee & Bond	\$	<u>1,940</u>
TOTAL	\$	54,305

5012 - Employer Medicare: KCAD is responsible for the Medicare tax on each of the employee's wages. This rate is 1.45% paid for each employee's wage per year. Details of this item are as follows:

Total Salaries	\$ 654,565
Medicare Rate	<u>x 0.0145</u>
TOTAL	\$ 9,491

5015 - Employee Medical Insurance: Kerr CAD provides health insurance to its employees through the Texas Association of Counties. The carrier for Texas Association of Counties is Blue Cross / Blue Shield. The Texas Association of Counties rates for the 2026-2027 showed an increase of 4.14%

KCAD Contribution Per Month	\$1,100.70
Number of Employees	<u>x 11</u>
Total Monthly Contribution	\$ 12,107.70
Number of Months	<u>x 12</u>
TOTAL Estimate	\$145,292.40

5016 - Texas Employment Commission: KCAD is responsible for the payment of each employee's unemployment tax through the Texas Workforce Commission. This tax is a percentage of the first \$9,000 of the employee's quarterly salary. These rates change annually and are determined by how much the government employees' group has withdrawn for unemployment benefits. Based on the previous year rate of 1.9%, the line item will increase to \$1,881.

5017 - Disability Insurance: The KCAD Board of Directors has elected to pay disability insurance in lieu of social security for KCAD employees. New employees will be under the same vesting requirements as other benefits. The line item will remain at \$9,000.

5030 - Appraisal Review Board: KCAD is responsible for the Appraisal Review Board member's stipends.

There are five members who serve on the ARB. This line item covers the ARB member's salary, travel, and training expenses and other expenses related to this board. The ARB is paid \$130 per full day and \$75 per half day. This line item will remain \$22,500 for 2027.

5034 - Vehicle Replacement Reserve: The allocated amount for vehicle replacement will remain at \$8,000 for this year.

5035 - Travel and Mileage: The heaviest driving period for the CAD is the fall and winter months during our appraisal period. This line item also includes maintenance and tires. This item also includes other travel expense and also pertains to meals and hotel expense when employees are sent to school. The line item will remain at \$20,000 for 2027.

5040 - Annual Audit: Section 6.063 of the Property Tax Code requires that the district have an annual audit by a Certified Public Accountant. The 2026 financial year audit will be conducted in 2027. The line item will remain at \$11,850 for 2027.

5045 - Mapping Expense: In previous years, Kerr CAD along with Kerr County, City of Kerrville, KPUB and Kerr 911 cooperated in funding a GIS mapping system called Eagleview (Pictometry). The system is a patented information system that combines aerial imaging with a software system allowing an appraiser to view and measure any structure, intersection, fire hydrant, tree or any feature in the county from a laptop or workstation. This technology has enabled the district to increase productivity, cut down on field trips and enhance appraisal of existing as well as the discovery of new taxable property. The investment in this system began in 2009. New flyover photos are taken every three years with the last scheduled flyover being completed in 2024. The next flyover is scheduled to be flown in January 2027. The Changefinder Technology enables the software to automatically identify structures that have been altered as well as identifying new structures and ones that have been removed. For 2027, the district is changing from the Changefinder to Sketch Inspect. New technology that will compare the flyover images with what is actually in the appraisal system vs the previous flyover. There was also an increase in the ESRI Software License. The line item will increase by \$8,416 to \$31,210 for 2027.

Mapping Supplies	\$3,000	
Flyover Mapping	\$12,699	
Sketch Inspect	\$13,579	
ESRI Software License	\$1,932	
Total		\$31,210

5055 – Debt Service (Building): Kerr CAD began construction on the new building May 2017 and moved into new facility December 2017. A construction loan was executed for a period of 24 months with payments of \$4,251.94 thru April 2019. At the end of the 24-month period, the remaining principal after a lump sum payment of \$350,000 rolled over into a permanent 20-year loan with payments of \$5,139.98 starting May 2019. The lump sum payment was from the sale of the old building along with the building reserve that the entities had allowed the district to retain in previous years. The line item will remain at \$61,680 for 2027.

5070 - Leased Equipment: The CAD leases a copy machine and a postage machine. The line item will remain at \$6,954 for 2027.

5075 - Telephone: This item includes basic telephone service, long distance service, and Internet subscription. Additional lines were added in 2018 for the fire alarm and Appraisal Review Board phone hearings that are required to be provided. The monitoring fee for the security system was previously included in this line item. This is now part of facilities maintenance. The line item will be reduced to \$3,860 for 2027.

5080 - Utilities: The District's utility expense covers city water, sewer and electricity. The line item will remain at \$9,000 for 2027.

5085 - Facilities Maintenance: Building and grounds maintenance includes trash pickup, building cleaning, lawn care, pest control and monitoring services. This line item will increase by \$5,000 to \$25,000 for 2027. The details of this maintenance are as follows:

<u>Expense</u>	<u>\$/Month</u>	<u>\$/Year</u>
Trash Pickup	\$ 100	\$1,200
Janitorial Service	\$800	\$9,600
Lawn Mowing	\$100	\$1,200
Annual Fire Inspection & Recharge		\$ 70
Skelton Fire Alarm		
Monitoring, testing & Annual Inspection		\$3,840
Absolute Systems (Security)		
Monitoring and maintenance		\$1,500
A/C Quarterly Check – Filter Replace		\$ 680
Pest Control	\$65/Quarter	\$ 260
Unifirst (Rugs & Restroom Supplies)		\$6,350
Document Shredding		\$ 300
TOTAL		\$25,000

5090 - Consultant – Appraisal: KCAD contracts out the appraisals on utilities, pipelines, and industrial properties to the industrial appraisal firm of Capitol Appraisal Group of Austin Texas. The annual contract amount for Kerr CAD's utilities, mineral, pipelines and industrial properties for this year's budget is \$16,200. Kerr CAD also contracts with Eagle Appraisal and Consulting a professional tax appraisal firm that appraises the commercial properties in Kerr County. Beginning 2021, the Eagle Appraisal and Consulting contract included the appraisal of apartments within Kerr County. Many appraisal districts are using contractors as a cost-efficient method of ensuring their values are meeting the stringent requirements of the Comptroller's Property Value Study and the Methods Assistance Program Study. Contracting is a valuable tool in helping ensure that all taxpayers are treated equitably as well keeping expenses down. The line item will increase by \$3,500 to \$75,354 for 2027. A recap of the total for this line item is below:

Capitol Appraisal Group	\$16,854
Eagle Appraisal and Consulting	\$48,000
Pritchard & Abbott	\$ 7,500
Litigation Consultant Fee	\$ 3,000
Total	\$75,354

5100 - Consultant – Legal & Expert Witness: KCAD changed law firms June 2017 to Perdue, Brandon, Fielder, Collins & Mott L.L.P. The monthly retainer fee is \$250. The fees are \$250/hour for attorneys in regard to litigation and \$95/hour for paralegal and legal secretarial work. Other related expenses such as travel expenses as needed are paid by the district. Due to the large number of appraisal lawsuits and arbitrations being filed, the line item will remain at \$50,000 for 2027.

5102 – Legal ARB : Legislation has mandated Appraisal Review Boards retain separate legal counsel from Appraisal Districts. Historically the need for legal counsel for the Kerr Appraisal Review Board has been minimal. The line item will remain at \$2,000 for 2027.

5105 - Liability & Workers Compensation – Building, FF&E Insurance: This line item covers workers compensation, general liability, automotive liability, cyber security, errors and omissions, real and personal property insurance as well as liability related to our retirement program. The carrier for this insurance is the Texas Municipal League Intergovernmental Risk Pool (TML). With the constant increase in the cost of coverage, the line item will increase by \$1,000 to \$17,000 for 2027.

5110 - Taxpayer Assistance & Education: This line item includes required newspaper advertisements, , tax workshops and related education & assistance directed to taxpayer/appraisal district relations. The line item will remain at \$4,000 for 2027.

5115 - Appraisal Guides & Tools: This line item includes property asset listings, appraisal guides and information services. SB 1801 (Homestead Exemption Audit) requires that an appraisal district implement a program for the periodic review of each residence homestead every 5 years. The district uses True Roll to assist in the required audit. The line item will remain at \$23,850 for 2027.

5120 - Schools and Employee Education: According to Section 5.04, of the Property Tax Code, an appraisal district shall reimburse an employee for all actual and necessary expenses, tuition, other fees and costs of materials incurred in attending, with the Chief Appraiser's approval, a course or training program conducted or by the Texas Department of Licensing and Regulation. The item will remain at \$10,000 for 2027.

5130 - Postage: Kerr CAD uses an outside mailing firm to print and mail the required appraisal notices. This saves the district some postage and helps ensure a timely mailing of appraisal notices. Kerr CAD elected to mail notices only to property owners whose values increased by more than \$1,000, had a change of ownership, filed a rendition or had new account created for tax year. Significant savings have occurred since this practice was initiated but postage cost have continued to increase along with the cost of being required to send state mandated notices by certified mail which is increasing year by year. The line item will increase by \$5,000 to \$45,000 for 2027.

5135 - Printing: This line item includes expenses such as printing of Notices of Appraised Value. Due to

increasing cost this item will increase by \$5,000 to \$20,000 for 2027.

5136 - Dues: This line item is devoted to the registration of the district and employees with different state agencies and trade organizations. Registration with the Texas Department of Licensing and Regulation is a requirement by law. Affiliation with the Texas Association of Appraisal Districts allows KCAD to enroll in state classes for reduced tuition and keeps the district informed of changing rules and laws. Being a member of TAAD also requires us to be a member of the local Southwest Chapter. Membership in the International Association of Assessing Officers is now required by the MAPS review and also requires membership in the Texas Association of Assessing Officers. The district receives a discounted price for items purchased through the Texas Building & Procurement Commission. The district also pays a membership for the Visa charge card. This line item will remain at \$2,500 for 2027.

Texas Department of Licensing & Regulation	\$ 450	
Texas Association of Appraisal Districts	\$1,500	
Texas Association of Appraisal Districts Southwest Chapter	\$ 75	
International Association of Assessing Officers	\$ 240	
Texas Association of Assessing Officers	\$ 100	
Texas Building & Procurement Commission	\$ 100	
Visa Charge Membership	\$ 35	
TOTAL		\$2,500

5140 - Office Supplies: This line item includes all miscellaneous office supplies used in the district. These items include paper, envelopes, writing utensils, toner cartridges, and other supplies. This line item will remain at \$10,000 for 2027.

5145 - Furniture, Fixtures & Equipment: This line item includes upgrading and replacement of desktop computers and printers. Also providing tablets or laptops along with electronic measuring devices for use in the field. This line item remains at \$6,000 for 2027.

5150 - Board of Directors: This line item is utilized to purchase director manual and reference material for the Board of Directors. A portion of this line item is also utilized to purchase awards of appreciation to outgoing board members and name plaques. Because of increased duties, responsibilities as well as increased liability associated with being a board member this line item includes education for board members. The line item will remain at \$1,200 for 2027.

5155 - Equipment Maintenance: This item includes the maintenance of PC computers, networks and printers. The line item will remain at \$1,000 for 2027.

5170 - Building Reserve: The district used this reserve for the land purchase and some of the expenses related to the construction of the new facility. The reserve was also used as part of the lump sum payment for the building loan that was made April 2019. The reserve fund will continue to be used for any future building expenses. The line item will remain at \$2,500.

5180 - Software Support – True Automation: Kerr CAD converted their old appraisal computer system to True Automation in October of 2006. True Automation is the largest CAD appraisal software company in the state. True Automation calls their system the PACS System. This line item provides for continuing maintenance and support of the PACS System by True Automation. This system contains active tax records and rolls for each taxing entity and individual property owner in the county housing almost forty thousand (40,000) property tax parcels. Every property account is recorded, updated, and appraised using this system and the tax roll is generated resulting in the values used to levy taxes for every taxing entity and taxpayer serviced by Kerr CAD. True Automation and BIS has notified the district that the software support and maintenance for this year will be increasing. The line item will increase to \$99,299 for 2027.

True Automation PACS System	\$93,899
BIS Online Backup	\$ 5,400
Total	\$99,299

5200 – Banking Fees: We are being assessed service charges on our bank account which will remain \$200 annually.

Note: The "estimated" entity allocation is shown on the next page which is based on the 2025 values and tax rates. The "official" entity allocation will be available after the certification of the 2026 values and the 2026 tax rates have been adopted by the taxing entities.

	2025 Cert Net Tax or Freeze Adj. Tax	2025 Tax Rate	Levy	Tax on Freeze	Total Levy	% of Total Levy	2027 Allocation
City of Ingram	\$164,335,027	0.382	627,759.80		\$627,759.80	0.5875%	8,466
City of Kerrville	\$2,580,808,356	0.5711	14,738,996.52	4,518,952.74	\$19,257,949.26	18.0227%	259,705
Kerr ED#1	\$1,245,126,881	0.0122	151,905.48		\$151,905.48	0.1422%	2,048
Kerr ED#2	\$308,995,459	0.1	308,995.46		\$308,995.46	0.2892%	4,167
Kerr County	\$6,193,307,079	0.3814	23,621,273.20	8,632,995.30	\$32,254,268.50	30.1854%	434,969
Lateral Roads	\$6,177,483,799	0.021	1,297,271.60	577,804.27	\$1,875,075.87	1.7548%	25,287
Lake Ingram Est Rd	\$24,348,527	0.0981	23,885.90		\$23,885.90	0.0224%	322
Center Point ISD	\$475,262,027	0.6869	3,169,522.46	246,075.21	\$3,415,597.67	3.1965%	46,061
Comfort ISD	\$252,345,363	0.9328	2,353,877.55	570,802.27	\$2,924,679.82	2.7371%	39,441
Divide ISD	\$116,906,739	0.6822	797,537.77	40,164.49	\$837,702.26	0.7840%	11,297
Harper ISD	\$71,723,592	0.6869	478,324.64	63,474.02	\$541,798.66	0.5070%	7,306
Hunt ISD	\$621,442,291	0.7316	4,546,471.80	434,833.80	\$4,981,305.60	4.6618%	67,176
Ingram ISD	\$788,531,949	0.9169	7,230,049.44	651,059.73	\$7,881,109.17	7.3756%	106,282
Kerrville ISD	\$3,116,897,124	0.820033	25,559,584.99	3,670,763.75	\$29,230,348.74	27.3554%	394,189
Medina ISD	\$15,952,315	0.8787	140,172.99	6,637.21	\$146,810.20	0.1374%	1,980
UGRA	\$9,409,995,927	0.01117	1,051,096.55		\$1,051,096.55	0.9837%	14,175
Headwaters	\$9,409,995,927	0.006573	618,519.03		\$618,519.03	0.5788%	8,341
Kerr ED#3	\$690,214,712	0.09	621,193.24		\$621,193.24	0.5813%	8,377
Kerr ED#4	\$789,311,287	0.013169	103,944.40		\$103,944.40	0.0973%	1,402
TOTAL EST LEVY			87,440,382.83	19,413,562.79	\$106,853,945.62	100.000%	1,440,991
2027 Budget						\$1,440,991	



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

CAPTION: Kerrville-Kerr County Joint Airport Board Proposed FY2027 Budget
(presented by Kirk Griffin, Airport Manager)

AGENDA DATE: August 25, 2026

DATE SUBMITTED: 07/17/2026

SUBMITTED BY:

JULIE BEHRENS, Director of Finance

EXHIBITS:

1. FY2027 Proposed Operating Budget - Kerrville Kerr County Airport
2. FY2027 Proposed Capital Budget - Airport

Expenditure:

Amount Budgeted:

Account Number:

Account Balance:

**Payment to/Vendor
name:**

Kerrville 2050 Item?

Key Priority Area:

No

SUMMARY:

Presentation of the Kerrville-Kerr County Joint Airport Board Proposed FY2027 Budget.

RECOMMENDED ACTION:

Approve budget as presented.

**Kerrville-Kerr County Airport
FY2027 Proposed Operating Budget**

		FY2023	FY2024	FY2025	FY2026	FY2027	Variance \$	Variance %
REVENUES		Actual	Actual	Actual	Budget	Proposed		
INTERGOVERNMENTAL REVENUE								
47-300-604	GRANTS		-	88,100			-	0%
47-300-605	CRRSSA GRANT			-			-	0%
TOTAL INTERGOVERNMENTAL REVENUE		-	-	88,100	-	-	-	0%
LEASE/RENTAL REVENUE								
47-325-350	AIRPORT LAND LEASES	63,401	63,601	60,780	63,700	89,640	25,940	41%
47-325-360	TERMINAL LEASES	19,490	20,104	14,019	20,600	14,412	(6,188)	-30%
47-325-402	AIRPORT LAND AND STRUCTURES	133,571	147,073	153,396	152,500	175,836	23,336	15%
47-325-404	1674 HANGARS	7,425	32,400	32,552	33,200	33,984	784	2%
47-325-601	1815 AIRPORT LOOP HANGAR & OFFICES	119,624	132,644	149,552	148,800	158,076	9,276	6%
47-325-603	T-HANGAR LEASES	142,942	151,705	158,661	165,000	170,172	5,172	3%
47-325-604	VEHICLE RENTAL SURCHARGE	7,158	5,866	4,649	4,500	4,649	149	3%
47-325-605	T-HANGAR STORAGE LEASES	1,500	1,445	550	1,000	-	(1,000)	-100%
47-325-625	PARKING LOT LEASES	1,469	1,972	2,221	1,750	-	(1,750)	-100%
47-325-800	NON-AERONAUTICAL LEASES	-	-	-	-	51,500	51,500	0%
TOTAL LEASE/RENTAL INCOME		496,580	556,810	576,380	591,050	698,269	107,219	18%
FUEL SALES - AVIATION REVENUE								
47-350-601	FUEL FLOWAGE FEES	57,240	54,769	81,635	70,000	75,000	5,000	7%
47-350-602	MISC REVENUE	2,142	-	-		20,000	20,000	0%
TOTAL FUEL SALES		59,382	54,769	81,635	70,000	95,000	25,000	36%
PROCEEDS								
47-370-260	SURPLUS PROPERTY SALE	-	-					
47-370-975	INSURANCE PROCEEDS	4,865	5,896	-	-	-	-	0%
47-370-980	APPROPRIATED FUND BALANCE	-	-	-	-	-	-	0%
TOTAL PROCEEDS		4,865	5,896	-	-	-	-	0%
INTEREST & MISC								
47-375-601	MISCELLANEOUS	175	450	1,000	-	1,500	1,500	0%
47-380-601	INTEREST INCOME	11	8	11	-	-	-	0%
TOTAL INTEREST & MISC		186	458	1,011	-	1,500	1,500	0%
TOTAL REVENUE		\$561,013	\$617,933	\$747,126	\$661,050	\$794,769	133,719	20%

		FY2023	FY2024	FY2025	FY2026	FY2027	Variance	
		Actual	Actual	Actual	Budget	Proposed	\$	%
EXPENSES								
SALARIES & BENEFITS								
47-700-101	AIRPORT MANAGER	94,863	91,932	71,669	103,000	106,900	3,900	4%
47-700-102	OFFICE PERSONNEL	45,032	47,537	51,881	48,000	49,400	1,400	3%
47-700-104	AIRPORT MAINTENANCE	45,511	49,012	55,015	57,250	58,967	1,717	3%
47-700-201	FICA	13,808	14,032	13,038	15,000	15,450	450	3%
47-700-202	GROUP INSURANCE	31,156	28,687	22,532	44,510	50,000	5,490	12%
47-700-203	RETIREMENT	27,553	26,773	23,997	34,375	34,506	131	0%
47-700-204	WORKER'S COMP	1,175	1,837	1,166	2,500	2,875	375	15%
47-700-205	OVERTIME	-	-	365	-	-	-	0%
47-700-206	BASIC LIFE INSURANCE	188	167	131	505	520	15	3%
47-700-207	UNEMPLOYMENT	-	231	92	395	405	10	3%
TOTAL SALARIES & BENEFITS		259,286	260,208	239,886	305,535	319,023	13,488	4%
PROFESSIONAL DEVELOPMENT								
47-800-008	PROFESSIONAL DEVELOPMENT	3,990	6,186	-	-	6,000	6,000	0%
TOTAL PROFESSIONAL DEVELOPMENT		3,990	6,186	-	-	6,000	6,000	0%
SUPPLIES								
47-800-101	OFFICE SUPPLIES & EQUIPMENT	1,540	957	8,469	2,000	2,000	-	0%
47-800-102	SMALL TOOLS & EQUIPMENT	1,893	10,785	5,100	2,000	5,000	3,000	150%
47-800-104	FUEL	2,142	2,588	1,251	2,000	18,000	16,000	800%
47-800-106	JANITORIAL SERVICES	3,672	8,986	8,788	6,000	10,000	4,000	67%
47-800-110	LANDSCAPING	3,523	7,972	2,989	5,000	5,000	-	0%
47-800-112	WEARING APPAREL	494	386	674	1,000	2,000	1,000	100%
TOTAL SUPPLIES		13,264	31,674	27,271	18,000	42,000	24,000	133%
MAINTENANCE								
47-800-200	LAND MAINTENANCE / MOWING CONTRACT	30,000	57,300	37,200	48,000	-	(48,000)	-100%
47-800-201	BUILDINGS AND STRUCTURES REPAIRS	23,269	19,079	11,986	14,000	15,000	1,000	7%
47-800-202	BUILDINGS AND STRUCTURES MAINTENANCE	7,129	9,178	8,988	10,000	15,000	5,000	50%
47-800-203	VEHICLE MAINTENANCE	117	381	1,191	2,000	6,000	4,000	200%
47-800-205	AIRSIDE MAINTENANCE	19,540	10,268	1,786	15,000	20,000	5,000	33%
47-800-215	STORM/WIND DAMAGE REPAIRS	-	-	-	-	-	-	0%
47-800-220	1815 HANGAR DOOR REPAIR	-	-	-	-	-	-	0%
TOTAL MAINTENANCE		80,055	96,206	61,151	89,000	56,000	(33,000)	-37%

		FY2023	FY2024	FY2025	FY2026	FY2027	Variance	
		Actual	Actual	Actual	Budget	Proposed	Variance \$	%
OTHER								
47-800-302	PROPERTY INSURANCE (County & Airport Liability)	26,504	42,048	79,346	68,655	75,320	6,665	10%
47-800-303	LIABILITY INSURANCE (County & Airport D&O)	4,081	3,304	16,756	19,655	22,210	2,555	13%
47-800-304	OFFICE EQUIPMENT RENTAL	1,565	1,473	983	2,000	29,000	27,000	1350%
47-800-305	OFFICE EQUIPMENT RENTAL GASB RTU	-	-	-	-	-	-	0%
47-800-306	GASB 87 RTU COPIER LEASE INTEREST	-	-	-	-	-	-	0%
47-800-307	MARKETING	-	1,975	100	1,000	10,000	9,000	900%
47-800-311	LEGAL SERVICES	12,112	16,000	14,000	15,000	15,000	-	0%
47-800-312	PROFESSIONAL SERVICES	32,316	28,328	93,261	30,000	40,000	10,000	33%
TOTAL OTHER		76,578	93,128	204,446	136,310	191,530	55,220	41%
UTILITIES								
47-800-401	CELL PHONES	1,141	696	2,040	-	-	-	
47-800-404	WATER & SEWER	2,068	1,972	2,575	4,000	5,000	1,000	25%
47-800-406	LIGHT AND POWER	17,968	19,453	25,992	20,000	25,000	5,000	25%
47-800-503	DUES AND SUBSCRIPTIONS	261	736	737	1,000	2,000	1,000	100%
TOTAL UTILITIES		21,438	22,857	31,344	25,000	32,000	7,000	28%
RESERVE & CONTINGENCY								
47-800-508	RESERVE		330	-			-	
47-800-512	CONTINGENCY	4,775	741	11,693	69,705	79,500	9,795	14%
47-800-515	TRANSFER OUT - FUND 48	-	49,729	97,990		48,716	48,716	0%
TOTAL RESERVE & CONTINGENCY		4,775	50,800	109,683	69,705	128,216	58,511	84%
TERMINAL EXPENSES								
47-801-300	FIRE ALARM MONITORING/INSPECTIONS	1,432	2,176	-	2,000	2,000	-	0%
47-801-301	LIGHT & POWER	6,870	7,200	7,486	8,500	9,000	500	6%
47-801-302	PROPANE GAS	2,856	2,922	1,774	3,000	4,500	1,500	50%
47-801-303	WATER & SEWER	2,497	3,634	2,196	4,000	4,500	500	13%
TOTAL TERMINAL EXPENSES		13,655	15,932	11,456	17,500	20,000	2,500	14%
TOTAL EXPENSES		\$473,041	\$576,991	\$685,237	\$661,050	\$794,769	133,719	20%
REVENUE OVER EXPENSES		\$87,972	\$40,942	\$61,889	\$-	\$-	-	0%

KERRVILLE-KERR COUNTY AIRPORT BUDGET-CAPITAL IMPROVEMENT FY27' BUDGET								
GL	Description	Proj. Status	Original Budget	TxDot	City	County	Airport	
FY2026 ACCOUNTS WITH ROLLOVERS:								
48-600-105/110/118	ALP	COMPLETED 04/2026	\$332,330.00	\$290,095.00	PAID 2024	PAID 2024	PAID 2024	
48-600-130/132	REPLACE AWOS	ONGOING	\$200,000.00	\$180,000.00			\$ 20,000.00	
48-600-137	AIM	REOCCURING	\$25,000.00					
48-600-140	1815 HANGAR GUTTERS/SHEET METAL	COMPLETED 11/2025	\$30,000.00				\$ 9,000.00	
	TAXIWAY E DRAINAGE	COMPLETED 11/2025	\$96,000.00	\$88,000.00			\$ 8,000.00	
48-600-108	PAYEMENT MGMT PROGRAM 12/30	COMPLETED 08/2025	\$1,628,750.00	\$1,465,875.00	PAID 2024	PAID 2024	PAID 2024	
48-600-129	TXDOT LAND RPZ & EDDA-LEGAL	COMPLETED 12/2025	\$128,000.00		\$ 64,000.00	\$ 64,000.00		
48-600-127	54 ACRE LAND PURCHASE	COMPLETED 08/2025	\$3,200,000.00	\$320,000.00	\$ 160,000.00	\$ 160,000.00	PAID 2024	
48-600-104	RAMP ANNUAL GRANT	REOCCURING	\$111,111.00	\$100,000.00	\$ 5,556.00	\$ 5,556.00		
TOTAL ROLLOVERS OF FY 2025 FUNDING			\$5,751,191.00	\$2,443,970.00	\$229,556.00	\$229,556.00	\$37,000.00	

FY 2027 CAPITAL FUNDING								
GL	Description	Proj. Status	Total Budget	TxDot	City	County	Airport	
48-600-130/132	REPLACE & RELOCATE AWOS	ONGOING	\$200,000.00	\$180,000.00			\$20,000.00	
48-600-137	AIM	REOCCURING	\$25,000.00				\$25,000.00	
48-600-104	RAMP ANNUAL GRANT	REOCCURING	\$111,111.00	\$100,000.00	\$5,556.00	\$5,556.00		
48-600-???	FUND BALANCE	REOCCURING	\$50,000.00		\$25,000.00	\$25,000.00		
NEW/TBD	PARKING LOT SEALCOAT & MARKINGS	NEW	\$21,000.00	X	X	X	\$21,000.00	
	2025 ROLLOVER/REALLOCATE:	-	\$ 407,111	\$ 280,000	\$ 30,556	\$ 30,556	\$ 66,000	
	FY 2027 FUNDING REQUEST:	-	\$ 407,111					

COMPLETED PROJECTS - FY2025	
48-600-???	Taxiway E-Drainage
48-600-108	TxDot Pavement Mgmt
48-600-140	1815 HANGAR GUTTERS

COMPLETED PROJECTS- FY2026	
48-600-105/110/118	ALP (MASTER PLAN)
48-600-129	TXDOT-LAND RPZ &EDDA
48-600-127	54 ACRE LAND PURCHASE



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

CAPTION: Kerrville Convention & Visitors Bureau FY2027 Proposed Budget
(presented by Julie Davis, President/CEO)

AGENDA DATE: August 25, 2026

DATE SUBMITTED: 07/20/2026

SUBMITTED BY:

JULIE BEHRENS, Director of Finance

EXHIBITS:

1. DRAFT FY 26.27 KCVB BUDGET

Expenditure:

Account Number:

**Payment to/Vendor
name:**

Amount Budgeted:

Account Balance:

Kerrville 2050 Item?

No

Key Priority Area:

SUMMARY:

Presentation of the FY2027 Proposed Budget for Kerrville Convention & Visitor's Bureau.

RECOMMENDED ACTION:

Approve budget as presented.

**Kerrville CVB Budget
DRAFT FY 26-27**

INCOME/FUNDING FY 26/27

City of Kerrville HOT CVB	\$	1,046,525
City of Kerrville HOT CAP/ Arts Marketing	\$	122,150
TOTAL INCOME	\$	1,168,675

ADMINISTRATIVE EXPENSES

ADMINISTRATIVE POSTAGE	\$	300
AUDIT & IRS Filing	\$	10,000
BUILDING OFFICE SUPPLIES & EQUIPMENT	\$	3,650
INSURANCE (OTHER)	\$	3,900
OFFICE	\$	24,270
PAYROLL	\$	212,000
PAYROLL TAXES/ BENEFITS	\$	61,280
TOTAL ADMINISTRATIVE	\$	315,400

VISITOR CENTER

VISITOR CENTER	\$	24,270
VISITOR CENTER PAYROLL	\$	63,660
VISITOR CENTER PAYROLL TAXES/ BENEFITS	\$	21,465
VISITOR CENTER SUPPLIES EQUIPMENT & EXPENSES	\$	10,500
VOLUNTEER APPRECIATION	\$	2,500
TOTAL VISITOR CENTER	\$	122,395

ADVERTISING, PROMOTIONS & SALES

ADVERTISING	\$	200,000	includes Arts Marketing \$50K
ADVERTISING PRODUCTION COST	\$	63,000	
ADVERTISING RESPONSE EXPENSE	\$	24,350	
BROCHURE PRINTING, PUBLICATIONS & REPRO	\$	28,235	
CONVENTION REGISTRATION/SUPPLIES/ HOSPITALITY	\$	19,500	
INDUSTRY DUES & SUBSCRIPTONS	\$	7,000	
INTERNET MARKETING	\$	25,900	
PUBLICITY, PUBLIC RELATIONS & AUDIO VISUAL	\$	14,000	
PR & SALES/SERVICES PAYROLL	\$	139,420	
PR & SALES/SERVICES TAXES/BENEFITS	\$	42,970	
RESEARCH & STRATEGIC PLANNING	\$	17,110	
SALES- CONSUMER & LOCAL	\$	30,195	
SALES - CONVENTION/ GROUP	\$	31,530	
SALES-TOUR BUS	\$	1,600	
SPECIAL EVENTS PROMOTIONS	\$	7,150	
WATS LINE VISITOR INFORMATION	\$	1,200	
TOTAL ADVERTISING/ PROMOTIONS/ SALES	\$	653,160	

COMMUNITY ARTS & CULTURAL DISTRICT PROGRAMS

CAP PAYROLL, TAXES & BENEFITS	\$	100,630
TELEPHONE SERVICE & EQUIPMENT	\$	840
POSTAGE	\$	50
PUBLIC ART PROJECTS/REPAIRS	\$	30,000
CAP Project Manager Support- Grants	\$	(53,800)
TOTAL CAP/CD	\$	77,720

TOTAL BUDGET	\$	1,168,675
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**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

CAPTION: Employee Benefit Trust Workshop minutes August 06, 2026. (S
McElhannon, City Secretary)

AGENDA DATE: August 25, 2026

DATE SUBMITTED: 08/04/2026

SUBMITTED BY:

Shelley McElhannon, City Secretary

EXHIBITS:

1. 20260825 Minutes EBT workshop 8-06-26

Expenditure:

Amount Budgeted:

Account Number:

Account Balance:

**Payment to/Vendor
name:**

Kerrville 2050 Item?

Key Priority Area:

No

SUMMARY:

CC-EBT Workshop minutes 10:00am.

RECOMMENDED ACTION:

Approve minutes as presented.

CITY COUNCIL - EMPLOYEE BENEFIT TRUST WORKSHOP MINUTES
AUGUST 6, 2026 10:00 AM **KERRVILLE, TEXAS**

CALL TO ORDER: On August 6, 2026 at 10:00 AM, Chair Joe Herring, Jr. called the Kerrville Employee Benefits Trust workshop to order in City Hall Council Chambers, 701 Main Street.

MEMBERS PRESENT:

Mayor Joe Herring, Jr
Boardmember Delayne Sigerman
Boardmember Jeff Harris
Boardmember Kent McKinney
Boardmember Place 4 Crystal Smith

MEMBERS ABSENT:

None

CITY EXECUTIVE STAFF:

Dalton Rice, City Manager	Kim Meismer, Asst City Manager
William Tatsch, City Attorney	Shelley McElhannon, City Secretary
Michael Hornes, Asst City Manager	Maya Johnson, Human Resource Manager

VISITORS PRESENT:

Todd Peters with Alera Group; Meg Freeman and Merrick Matthews with Kempton

1. **PUBLIC COMMENTS:** No person(s) spoke.

2. **CONSIDERATION AND POSSIBLE ACTION:**

2.A Consideration and review of the Fiscal Year 2027 employee benefit plans, rates, and funding.

Mayor Herring and Dalton Rice provided comments, and introduced Todd Peters with Alera Group. Todd Peters introduced Meg Freeman and Merrick Matthews with Kempton, the Third-Party Administrator company.

Dalton Rice and Kim Meismer provided information and responded to questions. Directors who provided feedback from departmental personnel responses: Public Works David Barrera, Finance Julie Behrens, Parks & Recreation Jay Brimhall, Engineering Kyle Burow, Kerrville Police Department Chief Jerel Haley, Misc departments Michael Hornes, Kerrville Fire Department Chief Eric Maloney, Misc departments Kim Meismer, Planning and Development Drew Paxton, and Information Technology Charvy Tork.

3. **EXECUTIVE SESSION:** Executive Session was not called nor convened.

4. **ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF ANY.** N/A

ADJOURN. Workshop adjourned at 10:24 a.m.

APPROVED BY COUNCIL: _____

APPROVED:

ATTEST:

Joe Herring Jr., Chair

Shelley McElhannon, City Secretary



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

CAPTION: City Council Budget Workshop minutes August 06, 2026. (*S McElhannon, City Secretary*)

AGENDA DATE: August 25, 2026

DATE SUBMITTED: 06/15/2026

SUBMITTED BY:

Shelley McElhannon, City Secretary

EXHIBITS:

1. 20260825 Minutes CC Budget workshop 8-06-26

Expenditure:

Amount Budgeted:

Account Number:

Account Balance:

**Payment to/Vendor
name:**

Kerrville 2050 Item?

Key Priority Area:

No

SUMMARY:

City Council Budget Workshop minutes 10:30am.

RECOMMENDED ACTION:

Approve minutes as presented.

**CITY COUNCIL BUDGET WORKSHOP MINUTES
KERRVILLE, TEXAS**

AUGUST 6, 2026 10:30 AM

CALL TO ORDER: On August 6, 2026 at 10:30 AM, Mayor Joe Herring, Jr. called the Kerrville City Council workshop to order in City Hall Council Chambers, 701 Main Street.

COUNCILMEMBERS PRESENT:

Mayor Joe Herring, Jr
Councilmember Delayne Sigerman
Councilmember Jeff Harris
Councilmember Kent McKinney
Councilmember Place 4 Crystal Smith

COUNCILMEMBERS ABSENT:

None

CITY EXECUTIVE STAFF:

Dalton Rice, City Manager
William Tatsch, City Attorney
Michael Hornes, Asst City Manager
Kim Meismer, Asst City Manager
Shelley McElhannon, City Secretary
David Barrera, Director Public Works
Julie Behrens, Director Finance
Jacob Bogusch, Finance Compliance
Jay Brimhall, Director Parks & Rec

Kyle Burow, Director Engineering
Chris Clark, Asst Director Public Works
Martin Greenwell, Communications Manager
Jerel Hailey, Police Chief
Paul Hutchton, Strategic Services
Eric Maloney, Fire Chief
Drew Paxton, Director Planning
Trina Rodriguez, Asst Director Finance
Charvy Tork, Director IT

1. **PUBLIC COMMENTS:** No person(s) spoke.

2. **INFORMATION AND DISCUSSION:**

2.A Discussion of Fiscal Year 2027 Proposed Budget - and post filing review.

Mayor Herring provided comments. Dalton Rice, Julie Behrens, Michael Hornes provided information and responded to questions.

Mayor Herring and Councilmember Kent McKinney requested information by William Tatsch regarding an Assistant City Attorney position. City Council general consensus given to continue with the budget as presented, and seek an Assistant City Attorney.

3. **EXECUTIVE SESSION:** Executive Session was not called nor convened.

4. **ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF ANY.** N/A

ADJOURN. Workshop adjourned at 11:51 a.m.

APPROVED BY COUNCIL: _____

APPROVED:

ATTEST:

Joe Herring Jr., Mayor

Shelley McElhannon, City Secretary



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

CAPTION: City Council - Employee Benefit Trust Workshop minutes August 11, 2026.
(S McElhannon, City Secretary)

AGENDA DATE: August 25, 2026

DATE SUBMITTED: 06/15/2026

SUBMITTED BY:

Shelley McElhannon, City Secretary

EXHIBITS:

1. 20260825 Minutes EBT 8-11-26

Expenditure:

Account Number:

**Payment to/Vendor
name:**

Amount Budgeted:

Account Balance:

Kerrville 2050 Item?

No

Key Priority Area:

SUMMARY:

City Council - Employee Benefit Trust Workshop minutes 5:00pm.

RECOMMENDED ACTION:

Approve minutes as presented.

CITY COUNCIL - EMPLOYEE BENEFIT TRUST WORKSHOP MINUTES
AUGUST 11, 2026 5:00 PM **KERRVILLE, TEXAS**

CALL TO ORDER: On August 11, 2026 at 5:00 PM, Chair Joe Herring, Jr. called the Kerrville City Council - Employee Benefit Trust workshop to order in City Hall Council Chambers, 701 Main Street.

BOARD MEMBERS PRESENT:

Mayor Joe Herring, Jr
Councilmember Delayne Sigerman
Councilmember Jeff Harris
Councilmember Kent McKinney
Councilmember Place 4 Crystal Smith

BOARD MEMBERS ABSENT:

None

CITY EXECUTIVE STAFF:

Dalton Rice, City Manager	Jonathan Cline, KPD Captain
William Tatsch, City Attorney	Maya Johnson, HR Manager
Michael Hornes, Asst City Manager	Shelley McElhannon, City Secretary
Kim Meisner, Asst City Manager	Charvy Tork, Director IT

VISITORS PRESENT: Todd Peter, Alera Group

1. PUBLIC COMMENTS: No person(s) spoke.

2. CONSIDERATION AND POSSIBLE ACTION:

2.A Consideration and approval of the FY2026 employee benefit plans, rates, and funding.

Dalton Rice and Todd Peter provided information and responded to questions.

Trustee Kent McKinney made a motion that City Council (acting as the Trustees of the Employee Benefit Trust) approve the Fiscal Year 2027 employee benefit plans, associated premium rates, and funding strategy as presented; authorize the use of the Employee Benefit Reserve, if necessary, to support the approved funding; and authorize the City Manager to execute all necessary agreements and contracts for the selected benefits, seconded by Trustee Jeff Harris. The motion passed 5-0.

Mayor Herring provided comments.

3. EXECUTIVE SESSION: Executive Session was not called nor convened.

4. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF ANY. N/A

ADJOURN. Workshop adjourned at 5:33 p.m.

APPROVED BY COUNCIL: _____

APPROVED:

ATTEST:

Joe Herring Jr., Mayor

Shelley McElhannon, City Secretary



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

CAPTION: City Council meeting minutes August 11, 2026. (*S McElhannon, City Secretary*)

AGENDA DATE: August 25, 2026

DATE SUBMITTED: 06/15/2026

SUBMITTED BY:

Shelley McElhannon, City Secretary

EXHIBITS:

1. 20260825 Minutes CC meeting 8-11-26

Expenditure:

Account Number:

**Payment to/Vendor
name:**

Amount Budgeted:

Account Balance:

Kerrville 2050 Item?

No

Key Priority Area:

SUMMARY:

City Council Meeting minutes 6:00pm.

RECOMMENDED ACTION:

Approve minutes as presented.

**CITY COUNCIL MEETING MINUTES
KERRVILLE, TEXAS**

AUGUST 11, 2026 6:00 PM

On August 11, 2026 at 6:00 PM, Mayor Joe Herring, Jr. called the Kerrville City Council meeting to order in City Hall Council Chambers, 701 Main Street, provided the invocation, and led the Pledge of Allegiance.

COUNCILMEMBERS PRESENT:

Mayor Joe Herring, Jr
Councilmember Delayne Sigerman
Councilmember Jeff Harris
Councilmember Kent McKinney
Councilmember Place 4 Crystal Smith

COUNCILMEMBERS ABSENT:

None

CITY EXECUTIVE STAFF:

Dalton Rice, City Manager
William Tatsch, City Attorney
Michael Hornes, Asst City Manager
Kim Meisner, Asst City Manager
Shelley McElhannon, City Secretary
David Barrera, Director Public Works
Aaron Barnes, Chief Building Official
Julie Behrens, Director Finance

Stephen Boyd, Deputy Fire Chief
Chris Clark, Asst Director Public Works
Martin Greenwell, Communications Manager
Jerel Haley, Police Chief
Winema Martinez, Economic Development
Drew Paxton, Director Development
Charvy Tork, Director IT

VISITORS PRESENT: A list of the citizen speakers present during the meeting is on file in the City Secretary's Office for the required retention period.

Kerrville Public Utility Board General Manager Mike Wittler
Kerrville Public Utility Board Assistant General Manager Amy Dozier
Kerr Together, Kelly Hagemeier
Alera Group, Todd Peter

1. ANNOUNCEMENTS OF COMMUNITY INTEREST:

Martin Greenwell, Councilmember Delayne Sigerman, and Councilmember Jeff Harris provided information and announcements.

2. PRESENTATIONS:

2.A Proclamation: Kerr Together Long-Term Recovery Group as the Official Disaster Relief Organization and Center for the July 2026 Flood Disaster.

Mayor Herring proclaimed Kerr Together as Kerrville's Long-Term Recovery Group, represented by Kelly Hagemeier.

3. VISITORS/CITIZENS FORUM: The following person(s) spoke:

- Steve Thompson

Mayor Herring provided clarification regarding Flock cameras.

- Clay Bennett
- Kevin Morales
- Arthur Gonzales
- Kimber Malcolm

4. CONSENT AGENDA: Councilmember Sigerman made a motion to approve the Consent Agenda items 4A, 4B, 4C, and 4D, seconded by Councilmember Harris. Motion approved 5-0.

4.A City Council Emergency-Called meeting minutes July 22, 2026.

4.B City Council Budget workshop minutes July 24, 2026.

4.C City Council workshop minutes July 28, 2026.

4.D City Council meeting minutes July 28, 2026.

END OF CONSENT AGENDA.

5. PUBLIC HEARING AND ORDINANCES, FIRST READING:

5.A Ordinance No. 2026-13. An Ordinance amending Chapter 60 of the Code of Ordinances, City of Kerrville, Texas (Zoning Code) by changing the zoning of a property known as 1273 Bandera Highway; from a Mixed Use Zoning District (MU) to a General Commercial Zoning District (C-3); and providing other matters relating to the subject.

Shelley McElhannon read Ordinance No. 2026-13 caption into record. Drew Paxton provided information and responded to questions. Mayor Herring opened the Public Hearing at 6:33 p.m. No person(s) spoke. Mayor Herring closed the Public Hearing at 6:33 p.m.

Councilmember Harris made a motion to approve Ordinance No. 2026-13 on first reading, seconded by Councilmember Sigerman. Motion approved 5-0.

5.B Ordinance No. 2026-19. An Ordinance amending in part Ordinance No. 99-18, as amended, by adopting revised Rate Schedules for Residential Services, and distributed generation rider; containing a cumulative clause; containing a savings and severability clause; and establishing an effective date.

Shelley McElhannon read Ordinance No. 2026-19 caption into record. Mike Wittler and Amy Dozier provided information and responded to questions. Mayor Herring opened the Public Hearing at 6:43 p.m. No person(s) spoke. Mayor Herring closed the Public Hearing at 6:43 p.m.

Councilmember Kent McKinney made a motion to approve Ordinance No. 2026-19 regarding KPUB residential rates, seconded by Councilmember Crystal Smith. Motion approved 5-0.

6. ORDINANCES, FIRST READING:

6.A **BUILDING CODE ORDINANCES:**

Ordinance No. 2026-14. An Ordinance amending the Code of Ordinances of the City of Kerrville, Texas, by adding Article VIII to Chapter 26; providing for the adoption of the International Property Maintenance Code, 2024 Edition, as published by the International Code Council, Inc.; providing certain local amendments to said International Property Maintenance Code; containing a cumulative clause, containing a savings and severability

clause; providing for a penalty of an amount not to exceed \$2,000.00 for each violation of any provision hereof; providing for an effective date; and ordering publication.

Ordinance No. 2026-15. An Ordinance amending Section 26-32 of Chapter 26 "Building and Building Regulations" of the Code of Ordinances of the City of Kerrville, Texas, in its entirety by adopting the International Residential Code, 2024 Edition, for one- and two-family dwellings, regulating the construction, enlargement, alteration, repair, removal, demolition, conversion, occupancy, equipment, use, height, area, and maintenance of all one- and two-family dwellings and multiple single-family dwellings (townhouses) within the city; adopting local amendments; providing for a penalty for violation of any provision hereof; containing a cumulative clause; containing a savings and severability clause; ordering publication; providing for an effective date; and providing other matters related to the subject.

Ordinance No. 2026-16. An Ordinance amending Section 26-31 of Chapter 26 "Building and Building Regulations" of the Code of Ordinances of the City of Kerrville, Texas, in its entirety by adopting the International Building Code, 2024 Edition, regulating the construction, enlargement, alteration, repair, removal, demolition, conversion, occupancy, use, height, area, and maintenance of all buildings or structures, except one- and two-family dwellings and multiple single-family dwellings (townhouses), and including the National Electrical Code as referenced herein, within the City; adopting local amendments; providing for a penalty for violation of any provision hereof; containing a cumulative clause; containing a savings and severability clause; ordering publication; providing for an effective date; and providing other matters related to the subject.

Ordinance No. 2026-17. An Ordinance amending Articles II, III, IV, V, and VI Chapter 26 "Building and Building Regulations" of the Code of Ordinances of the City of Kerrville, Texas, by adopting the International Existing Building Code, National Electrical Code (2023 Edition), International Plumbing Code, International Fuel Gas Code, International Mechanical Code, International Energy Conservation Code, and the International Swimming Pool and Spa Code, 2024 Editions (unless otherwise stated), as to buildings, structures, systems, and other applications within the City; adopting local amendments to each code; providing for a penalty for violation of any provision hereof; containing a cumulative clause; containing a savings and severability clause; ordering publication; providing for an effective date; and providing other matters related to the subject.

Ordinance No. 2026-18. An Ordinance amending Chapter 50 "Fire Prevention and Protection" of the Code of Ordinances of the City of Kerrville, Texas, by adopting the National Fire Prevention Association 101, Life Safety Code, 2024 Edition; adopting the International Fire Code, 2024 Edition; adopting the National Fire Protection Association 1194, Standard for recreational vehicle parks and campgrounds, 2026 Edition; adopting local amendments to said codes; providing for a penalty for violation of any provision hereof; containing a cumulative clause; containing a savings and severability clause; ordering publication; providing for an effective date; and providing other matters related to the subject.

Kim Meisner read Ordinance Nos. 2026-14, 2026-15, 2026-16, 2026-17, and 2026-18 captions into record. Drew Paxton provided information and responded to questions.

Councilmember McKinney made a motion to adopt Ordinances Nos. 2026-14, 2026-15, 2026-16, 2026-17, and 2026-18 on first reading, seconded by Councilmember Smith. Motion approved 5-0.

7. PUBLIC HEARINGS AND RESOLUTIONS:

7.A Resolution No. 32-2026. A Resolution granting a Conditional Use Permit to authorize a Day Care Services, children on the property located at 813 Clay; the property located within a Residential Transition Zoning District (RT); and making the permit subject to certain conditions and restrictions.

Drew Paxton provided information and responded to questions. Mayor Herring opened the Public Hearing at 6:53 p.m. The following person(s) spoke: Larry Cattran, Jacob Shively. Mayor Herring closed the Public Hearing at 6:58 p.m.

Councilmember Sigerman made a motion to approve Resolution No. 32-2026, seconded by Councilmember Harris. Motion approved 5-0.

8. CONSIDERATION AND POSSIBLE ACTION:

8.A Resolution No. 34-2026. A Resolution authorizing the transfer of the ownership of funds from the City of Kerrville to the City of Kerrville Employee Benefit Trust to pay for employee related group benefits for Fiscal Year 2027.

Kim Meisner provided information.

Councilmember McKinney made a motion to approve Resolution No. 34-2026, authorizing the transfer of the ownership of funds from the City of Kerrville to the City of Kerrville Employee Benefit Trust to pay for employee related group benefits for Fiscal Year 2027, seconded by Councilmember Smith. Motion approved 5-0.

8.B Resolution No. 35-2026. A Resolution authorizing the Kerr County Tax Assessor-Collector to calculate the voter-approval tax rate in the manner provided for a special taxing unit (8 percent) as the City of Kerrville is located in an area declared a Disaster Area pursuant to Section 26.042 of the Texas Tax Code.

Julie Behrens provided information and responded to questions.

Councilmember Sigerman made a motion to approve Resolution No. 35-2026, seconded by Councilmember Harris. Motion approved 5-0.

9. EXECUTIVE SESSION: Executive Session was not called nor convened.

10. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF ANY. N/A

11. ITEMS FOR FUTURE AGENDAS: None.

ADJOURN. Meeting adjourned at 7:06 p.m.

APPROVED BY COUNCIL: _____

APPROVED:

ATTEST:

Joe Herring Jr., Mayor

Shelley McElhannon, City Secretary



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

CAPTION: Resolution No. 37-2026. A Resolution approving a negotiated settlement between the Atmos Cities Steering Committee (ACSC) and Atmos Energy Corp., Mid-Tex Division regarding the company's 2026 Rate Review Mechanism filing; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement; finding the rates to be set by the attached settlement tariffs to be just and reasonable and in the public interest; approving an attachment establishing a benchmark for pensions and retiree medical benefits; requiring the company to reimburse ACSC's reasonable ratemaking expenses; determining that this Resolution 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 Resolution to the company and the ACSC's legal counsel. (*W Tatsch, City Attorney*)

AGENDA DATE: August 25, 2026

DATE SUBMITTED: 07/28/2026

SUBMITTED BY:

William Tatsch, City Attorney

EXHIBITS:

1. 20260825 Reso 37-2026 Atmos Energy 2026 Rate Review Mechanism Filing
2. Average Bill Comparison-Base Rates_081326

Expenditure:

Account Number:

**Payment to/Vendor
name:**

Amount Budgeted:

Account Balance:

Kerrville 2050 Item?

No

Key Priority Area:

SUMMARY:

BACKGROUND AND SUMMARY

The City, along with 189 other Mid-Texas cities served by Atmos Energy Corporation, Med-Tex Division (Atmos or Company), is a member of the Atmos Cities Steering Committee (ACSC). In 2007, ACSC and Atmos Mid-Tex settled a rate application filed by the Company pursuant to Section 104.301 of the Texas Utilities Code for an interim rate adjustment commonly referred to as a GRIP filing (arising out of the Gas Reliability Infrastructure Program legislation). That settlement created a substitute rate review

process, referred to as the Rate Review Mechanism (RRM), as a substitute for future filings under the GRIP statute.

Since 2007, there have been several modifications to the original RRM Tariff. The most recent iteration of an RRM Tariff was reflected in an ordinance adopted by ACSC members in 2018. On or about April 1, 2025, the Company filed a rate request pursuant to the RRM Tariff adopted by ACSC members. The Company claimed that its cost-of-service in the test year ending December 31, 2025, entitled it to additional system-wide revenues of \$291.1 million.

Application of the standards set forth in ACSC's RRM Tariff reduces the Company's request to \$273.6 million. However, ACSC's consultants reviewed the filing and conducted discovery, after which they concluded that the Company's system-wide deficiency under the RRM regime should be \$253.4 million instead of the claimed \$273.6 million - a \$20 million reduction.

After several settlement meetings, the parties have agreed to settle the case for \$260.5 million in additional revenues. This is a reduction of \$13.1 million to the Company's initial request (\$273.6 - \$260.5). This includes payment of ACSC's expenses. The Effective Date for new rates is October 1, 2026. Therefore, all the ACSC members, including Kerrville, must take action approving the Resolution before October 1, 2026.

BILL IMPACT:

The impact of the settlement on average residential rates is an increase of \$13.37 on a monthly basis, or 14.15%. The increase on average commercial usage will be \$44.82 or 9.90%. Atmos provided bill impact comparisons containing these figures. See attachment, which is titled "Average Bill Comparison - Base Rates," for both residential and commercial customers.

COMPARISON TO OTHER MID-TEX RATES (RESIDENTIAL)

As referenced above, there are two mechanisms by which Atmos can raise rates - a statutory GRIP filing and an alternative RRM action. Atmos uses the RRM action with ACSC. However, some of the customers of Atmos who are not members of ACSC (like Kerrville is) have opted to continue to use the GRIP process. According to ACSC's attorney, the ACSC members are getting lower rate increases between the negotiated rate ACSC was able to reach with Atmos under the RRM process when compared to the GRIP rate. Consequently, the Atmos customers living within the City of Kerrville will be paying lower rates than other customers who had to use the GRIP process.

EXPLANATION OF "BE IT RESOLVED" PARAGRAPHS:

1. This section approves all findings in the Resolution.
2. This section adopts the RRM rate tariffs and finds the adoption of the new rates to be just, reasonable, and in the public interest.
3. This section makes it clear that cities may challenge future costs associated with gas leaks.
4. This section finds that existing rates are unreasonable. Such a finding is a

necessary predicate to the establishment of new rates. The new tariffs will permit Atmos to recover an additional \$260.5 million on a system-wide basis.

5. This section approves an exhibit that establishes a benchmark for pensions and retiree medical benefits to be used in future rate cases or RRM filings.

6. This section requires the Company to reimburse the City's representative, ASCS, for expenses associated with review of the RRM filing, settlement discussions, and adoption of the Resolution approving new rate tariffs.

7. This section repeals any portion of a prior resolution that is inconsistent with this Resolution.

8. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

9. This section is a savings clause, which provides that if any section is later found to be unconstitutional or invalid, that finding shall not affect, impair, or invalidate the remaining provisions of this Resolution. This section further directs that the remaining provisions of the Resolution are to be interpreted as if the offending section or clause never existed.

10. This section provides for an effective date upon passage.

11. This section directs that a copy of the signed Resolution be sent to a representative of the Company and legal counsel for ACSC.

CONCLUSION:

The Legislature's GRIP process allowed gas utilities to receive annual rate increases associated with capital investments. The RRM process has proven to result in a more efficient and less costly (both from a consumer rate impact perspective and from a ratemaking perspective) than the GRIP process. Given Atmos's claim that its historic cost of service should have entitled it to recover \$291.1 million in additional system-wide revenues, the RRM settlement at \$260.5 million for ACSC members reflects substantial savings to ACSC cities. Settlement at \$260.5 million seems fair and reasonable. The ACSC Executive Committee consisting of city employees of 18 ACSC members have urged all ACSC members to pass the Resolution before October 1, 2026, which is when the new rates become effective.

RECOMMENDED ACTION:

Adopt Resolution No. 37-2026.

**CITY OF KERRVILLE
RESOLUTION NO. 37-2026**

A RESOLUTION APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE (ACSC) AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY'S 2026 RATE REVIEW MECHANISM FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHMENT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; REQUIRING THE COMPANY TO REIMBURSE ACSC'S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS RESOLUTION 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 RESOLUTION TO THE COMPANY AND THE ACSC'S LEGAL COUNSEL

WHEREAS, the City of Kerrville, Texas (City) is a gas utility customer of Atmos Energy Corp., Mid-Tex Division (Atmos Mid-Tex or Company), and a regulatory authority with an interest in the rates, charges, and services of Atmos Mid-Tex; and

WHEREAS, the City is a member of the Atmos Cities Steering Committee (ACSC), a coalition of similarly-situated cities served by Atmos Mid-Tex (ACSC Cities) that have joined together to facilitate the review of, and response to, natural gas issues affecting rates charged in the Atmos Mid-Tex service area; and

WHEREAS, ACSC and the Company worked collaboratively to develop a Rate Review Mechanism (RRM) tariff that allows for an expedited rate review process by ACSC Cities as a substitute to the Gas Reliability Infrastructure Program (GRIP) process instituted by the Legislature, and that will establish rates for the ACSC Cities based on the system-wide cost of serving the Atmos Mid-Tex Division; and

WHEREAS, the current RRM tariff was adopted by the City in a rate ordinance in 2018; and

WHEREAS, on about April 1, 2026, Atmos Mid-Tex filed its 2026 RRM rate request with ACSC Cities based on a test year ending December 31, 2025; and

WHEREAS, ACSC coordinated its review of the Atmos Mid-Tex 2026 RRM filing through its Executive Committee, assisted by ACSC's attorneys and consultants, to resolve issues identified in the Company's RRM filing; and

WHEREAS, the Executive Committee, as well as ACSC's counsel and consultants, recommend that ACSC Cities approve an increase in base rates for Atmos Mid-Tex of \$260.5 million on a system-wide basis with an Effective Date of October 1, 2026; and

WHEREAS, ACSC agrees that Atmos Mid-Tex's plant-in-service is reasonable; and

WHEREAS, with the exception of approved plant-in-service, ACSC is not foreclosed from future reasonableness evaluation of costs associated with incidents related to gas leaks; and

WHEREAS, the attached tariffs (**Attachment 1**) implementing new rates are consistent with the recommendation of the ACSC Executive Committee, are agreed to by the Company, and are just, reasonable, and in the public interest; and

WHEREAS, the settlement agreement sets a new benchmark for pensions and retiree medical benefits (**Attachment 2**); and

WHEREAS, the RRM Tariff contemplates reimbursement of ACSC's reasonable expenses associated with RRM applications;

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

SECTION ONE. The findings set forth in this Resolution are hereby in all things approved.

SECTION TWO. Without prejudice to future litigation of any issue identified by ACSC, City Council finds that the settled amount of an increase in revenues of \$260.5 million on a system-wide basis represents a comprehensive settlement of gas utility rate issues affecting the rates, operations, and services offered by Atmos Mid-Tex within the municipal limits arising from Atmos Mid-Tex's 2026 RRM filing, is in the public interest, and is consistent with the City's authority under Section 103.001 of the Texas Utilities Code.

SECTION THREE. Despite finding Atmos Mid-Tex's plant-in-service to be reasonable, ACSC is not foreclosed in future cases from evaluating the reasonableness of costs associated with incidents involving leaks of natural gas.

SECTION FOUR. The existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable. The new tariffs attached hereto and incorporated herein as **Attachment 1**, are just and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional \$260.5 million on a system-wide basis, over the amount allowed under currently approved rates. Such tariffs are hereby adopted.

SECTION FIVE. The ratemaking treatment for pensions and retiree medical benefits in Atmos Mid-Tex's next RRM filing shall be as set forth on **Attachment 2**, attached hereto and incorporated herein.

SECTION SIX. Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of the ACSC in processing the Company's 2026 RRM filing.

SECTION SEVEN. To the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Resolution, it is hereby repealed.

SECTION EIGHT. That the meeting at which this Resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

SECTION NINE. If any one or more sections or clauses of this Resolution is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Resolution, and the remaining provisions of the Resolution shall be interpreted as if the offending section or clause never existed.

SECTION TEN. Consistent with the City Ordinance that established the RRM process, this Resolution shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after October 1, 2026.

SECTION ELEVEN. A copy of this Resolution shall be sent to Atmos Mid-Tex, care of Chris Felan, Vice President of Rates and Regulatory Affairs Mid-Tex Division, Atmos Energy Corporation, 5420 LBJ Freeway, Suite 1862, Dallas, Texas 75240, and to Thomas Brocato, General Counsel to ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

PASSED AND APPROVED ON this the 25th day of August A.D., 2026.

Joe Herring, Jr., Mayor

ATTEST:

Shelley McElhannon, City Secretary

APPROVED AS TO FORM:



William L. Tatsch, City Attorney

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	R – RESIDENTIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2026	

Application

Applicable to Residential Customers for all natural gas provided at one Point of Delivery and measured through one meter.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	\$ 24.35 per month
Rider CEE Surcharge	\$ 0.05 per month ¹
Total Customer Charge	\$ 24.40 per month
Commodity Charge – All <u>Ccf</u>	\$ 1.03839 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

¹Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 19196. Surcharge billing effective July 1, 2026.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	C – COMMERCIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2026	

Application

Applicable to Commercial Customers for all natural gas provided at one Point of Delivery and measured through one meter and to Industrial Customers with an average annual usage of less than 30,000 Ccf.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	\$ 115.50 per month
Rider CEE Surcharge	\$ 0.00 per month ¹
Total Customer Charge	\$ 115.50 per month
Commodity Charge – All Ccf	\$ 0.27784 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Presumption of Plant Protection Level

For service under this Rate Schedule, plant protection volumes are presumed to be 10% of normal, regular, historical usage as reasonably calculated by the Company in its sole discretion. If a customer believes it needs to be modeled at an alternative plant protection volume, it should contact the company at mdtx-div-plantprotection@atmosenergy.com.

¹ Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 19196. Surcharge billing effective July 1, 2026.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2026	

Application

Applicable to Industrial Customers with a maximum daily usage (MDU) of less than 200 MMBtu per day for all natural gas provided at one Point of Delivery and measured through one meter. Service for Industrial Customers with an MDU equal to or greater than 200 MMBtu per day will be provided at Company's sole option and will require special contract arrangements between Company and Customer.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and MMBtu charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Meter	\$ 2,304.50 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.9582 per MMBtu
Next 3,500 MMBtu	\$ 0.7018 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.1505 per MMBtu

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Curtailment Overpull Fee

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2026	

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions

In order to receive service under Rate I, Customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

Presumption of Plant Protection Level

For service under this Rate Schedule, plant protection volumes are presumed to be 10% of normal, regular, historical usage as reasonably calculated by the Company in its sole discretion. If a customer believes it needs to be modeled at an alternative plant protection volume, it should contact the company at mdtx-div-plantprotection@atmosenergy.com.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2026	

Application

Applicable, in the event that Company has entered into a Transportation Agreement, to a customer directly connected to the Atmos Energy Corp., Mid-Tex Division Distribution System (Customer) for the transportation of all natural gas supplied by Customer or Customer's agent at one Point of Delivery for use in Customer's facility.

This tariff is not available to customers with a maximum daily demand of 1,000 MMBtu or greater and a daily/annual load factor of 10% or less. Load factor is calculated as follows: annual usage / (maximum daily connected demand X 365). Load factors will be recalculated once each year to determine appropriate eligibility for Rate T.

Type of Service

Company's receipt and delivery of all gas quantities under the applicable Transportation Agreement will be on a wholly interruptible basis subject to the Terms and Conditions incorporated in the Transportation Agreement. If Customer is an Industrial Customer, then Customer may elect, at the reasonable discretion of Company, to contract for Plant Protection transportation quantities defined as the minimum natural gas required to prevent physical harm and/or protect critical safety to the plant facilities, plant personnel, or the public when such protection cannot be achieved through the use of an alternate fuel. Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's bill will be calculated by adding the following Customer and MMBtu charges to the amounts and quantities due under the riders listed below:

Charge	Amount
Customer Charge per Meter	\$ 2,304.50 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.9582 per MMBtu
Next 3,500 MMBtu	\$ 0.7018 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.1505 per MMBtu

Upstream Transportation Cost Recovery: Plus an amount for upstream transportation costs in accordance with Part (b) of Rider GCR.

Retention Adjustment: Plus a quantity of gas as calculated in accordance with Rider RA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2026	

Imbalance Fees

All fees charged to Customer under this Rate Schedule will be charged based on the quantities determined under the applicable Transportation Agreement and quantities will not be aggregated for any Customer with multiple Transportation Agreements for the purposes of such fees.

Monthly Imbalance Fees

Customer shall pay Company the greater of (i) \$0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest "midpoint" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" during such month, for the MMBtu of Customer's monthly Cumulative Imbalance, as defined in the applicable Transportation Agreement, at the end of each month that exceeds 10% of Customer's receipt quantities for the month.

Overpull Fee

Upon notification by Company of an event of interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

Agreement

A transportation agreement is required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions

In order to receive service under Rate T, customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RIDER:	SUR – SURCHARGES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2026	

Application

This Rider is applicable to customer classes in the incorporated areas under the RRM tariff as authorized by the state or any governmental entity, a municipality, or a regulatory authority pursuant to any statute, ordinance, order, rule, contract, or agreement.

Monthly Calculation

Surcharges will be calculated in accordance with the applicable statute, ordinance, order, rule, contract, or agreement.

FASB ASC 740-10 (Fin48) Refund

Applicable to Customers taking service under Rate Schedules R – Residential, C – Commercial, I – Industrial and T – Transportation.

To ensure that gas utility customers receive the benefit associated with the changes in the Company's Uncertain Tax Positions ("UTPs") arising from recognition of Texas Margin Tax returns.

The decrease shall be calculated as follows:

Beginning with implementation of rates from the negotiated RRM Tariff, and annually thereafter, the portion of UTP liabilities identified in Schedule FIN48-1.1 for the prior fiscal year shall be allocated based on the final class allocations of GUD No. 10170 as per the RRM Tariff, divided by the annual bill count to derive rates to be refunded through Rider SUR in the subsequent fiscal year. Each year's calculation will include a true-up (+ or -) due to account for over/under collections. Amounts identified in Schedule FIN48-1 shall be adjusted to reflect any audit adjustments received from the Texas Comptroller of Public Accounts.

No action on the part of the Regulatory Authority is required to give effect to the amount to be refunded to customers. However, any amount refunded to customers shall be fully subject to review for reasonableness and accuracy in the gas utility's next statement of intent proceeding with the Railroad Commission of Texas, and if applicable, the gas utility shall be required to reconcile any discrepancies.

The following refund as authorized in the most recent negotiated RRM Tariff shall be refunded to each Rate Schedules R – Residential, C – Commercial, I – Industrial and T – Transportation customer's monthly bill in each month for a 12-month period. The refund amount by month by Rate Schedule is shown in the table below:

Rate Schedules	Rate
Rate R – Residential Sales	\$ (0.14)
Rate C – Commercial Sales	\$ (0.49)
Rate I – Industrial Sales	\$ (10.47)
Rate T – Transportation	\$ (10.47)

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RIDER:	SUR – SURCHARGES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2026	

Unprotected Excess Deferred Income Tax Amortization

The allocated RRM Cities balance of the Unprotected portion of the Excess Deferred Income Taxes ("EDIT") remaining after implementation of rates at October 1, 2026 shall be applied to each Rate Schedules R – Residential, C – Commercial, I – Industrial and T – Transportation customer's monthly bill for a one-month period. The refund amount by Rate Schedule is shown in the table below:

Rate Schedules	Rate
Rate R – Residential Sales	\$ (4.45)
Rate C – Commercial Sales	\$ (14.80)
Rate I – Industrial Sales	\$ (319.02)
Rate T – Transportation	\$ (319.02)

Maximum Allowable Operating Pressure ("MAOP") Hydrostatic Testing Cost Recovery

The allocated RRM Cities balance of the MAOP Hydrostatic Testing Cost as of December 31, 2025 is to be recovered through a monthly rate. This monthly rate shall be applied to each Rate Schedules R – Residential, C – Commercial, I – Industrial and T – Transportation customer's monthly bill for approximately twelve (12) months or until all approved costs are recovered from the applicable customer classes. The monthly recovery rate by Rate Schedule is shown in the table below:

Rate Schedules	Rate
Rate R – Residential Sales	\$ 0.30
Rate C – Commercial Sales	\$ 0.98
Rate I – Industrial Sales	\$ 21.17
Rate T – Transportation	\$ 21.17

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2026	

Provisions for Adjustment

The Commodity Charge per Ccf (100 cubic feet) for gas service set forth in any Rate Schedules utilized by the cities of the Mid-Tex Division service area for determining normalized winter period revenues shall be adjusted by an amount hereinafter described, which amount is referred to as the "Weather Normalization Adjustment." The Weather Normalization Adjustment shall apply to all temperature sensitive residential and commercial bills based on meters read during the revenue months of November through April. The five regional weather stations are Abilene, Austin, Dallas, Waco, and Wichita Falls.

Computation of Weather Normalization Adjustment

The Weather Normalization Adjustment Factor shall be computed to the nearest one-hundredth cent per Ccf by the following formula:

$$WNAF_i = R_i \frac{(HSF_i \times (NDD-ADD))}{(BL_i + (HSF_i \times ADD))}$$

Where

i = any particular Rate Schedule or billing classification within any such particular Rate Schedule that contains more than one billing classification

$WNAF_i$ = Weather Normalization Adjustment Factor for the i^{th} rate schedule or classification expressed in cents per Ccf

R_i = Commodity Charge rate of temperature sensitive sales for the i^{th} schedule or classification.

HSF_i = heat sensitive factor for the i^{th} schedule or classification divided by the average bill count in that class

NDD = billing cycle normal heating degree days calculated as the simple ten-year average of actual heating degree days.

ADD = billing cycle actual heating degree days.

BL_i = base load sales for the i^{th} schedule or classification divided by the average bill count in that class

The Weather Normalization Adjustment for the j th customer in i th rate schedule is computed as:

$$WNA_j = WNAF_i \times q_{ij}$$

Where q_{ij} is the relevant sales quantity for the j th customer in i th rate schedule.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2026	

Base Use/Heat Use Factors

<u>Weather Station</u>	<u>Residential</u>		<u>Commercial</u>	
	<u>Base use Ccf</u>	<u>Heat use Ccf/HDD</u>	<u>Base use Ccf</u>	<u>Heat use Ccf/HDD</u>
Abilene	9.78	0.1448	91.89	0.8018
Austin	9.07	0.1318	213.26	0.9418
Dallas	12.87	0.1937	192.49	1.1269
Waco	9.39	0.1261	159.17	0.8068
Wichita Falls	10.61	0.1364	133.65	0.6965

Weather Normalization Adjustment (WNA) Report

On or before June 1 of each year, the company posts on its website at www.atmosenergy.com/MTXtariffs, in Excel format, a *Weather Normalization Adjustment (WNA) Report* to show how the company calculated its WNAs factor during the preceding winter season. Additionally, on or before June 1 of each year, the company files one hard copy and an Excel version of the *WNA Report* with the Railroad Commission of Texas' Gas Services Division, addressed to the Director of that Division.

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
PENSIONS AND RETIREE MEDICAL BENEFITS FOR CITIES APPROVAL
TEST YEAR ENDING DECEMBER 31, 2025

Line No.	Description (a)	Shared Services (b)		Post-Employment Benefit Plan (c)		Pension Account Plan (d)		Mid-Tex Direct Post-Employment Benefit Plan (e)		Supplemental Executive Benefit Plan (f)		Adjustment Total (g)
		Pension Account Plan	Employment Benefit Plan	Pension Account Plan	Employment Benefit Plan	Pension Account Plan	Employment Benefit Plan	Pension Account Plan	Employment Benefit Plan	Supplemental Executive Benefit Plan	Adjustment Total	
1	Proposed Benefits Benchmark - Fiscal Year 2026 Willis Towers Watson Report as adjusted (1) (2) (3)	\$ 200,382	\$ (490,197)	\$ 951,536	\$ (3,288,240)	\$ 72,926						
2	Allocation Factor	46.66%	46.66%	87.00%	87.00%	100.00%						
3	Proposed Benefits Benchmark Costs Allocated to Mid-Tex (Ln 1 x Ln 2)	\$ 93,490	\$ (228,707)	\$ 827,882	\$ (2,860,928)	\$ 72,926						
4	O&M and Capital Allocation Factor	100.00%	100.00%	100.00%	100.00%	100.00%						
5	Proposed Benefits Benchmark Costs to Approve (Ln 3 x Ln 4)	\$ 93,490	\$ (228,707)	\$ 827,882	\$ (2,860,928)	\$ 72,926						
6												
7	O&M Expense Factor (WP_F-2.3, Ln 2)	80.27%	80.27%	36.19%	36.19%							
8												
9	Summary of Costs to Approve (1):											
10	Total Pension Account Plan	\$ 75,047	\$ (183,588)	\$ 299,646	\$ (1,035,492)	\$ 6,367						
11	Total Post-Employment Benefit Plan											
12	Total Supplemental Executive Benefit Plan											
13	Total (Ln 10 + Ln 11 + Ln 12)	\$ 75,047	\$ (183,588)	\$ 299,646	\$ (1,035,492)	\$ 6,367						

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2025

Line No.	Description	Average Volumes	Current Rates	Proposed Rates	Current Average Bill	Proposed Average Bill	Amount Change	Percent Change
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	<u>Rate R @ 40.7 Ccf</u>							
2	Base Rates:							
3	Customer Charge		\$ 23.65	\$ 24.35	\$ 23.65	\$ 24.35	\$ 0.70	
4	Consumption Charge (Ccf)	40.7	\$ 0.74748	\$ 1.03839	30.44	42.29	11.85	
5	Total Base Rates				<u>\$ 54.09</u>	<u>\$ 66.64</u>	<u>\$ 12.55</u>	23.20%
6								
7	Gas Cost:							
8	Rider GCR Part A (Ccf)	40.7	\$ 0.26375	\$ 0.26375	\$ 10.74	\$ 10.74	\$ -	
9	Rider GCR Part B (Ccf)	40.7	\$ 0.58642	\$ 0.58642	23.88	23.88	-	
10	Total Gas Cost				<u>\$ 34.62</u>	<u>\$ 34.62</u>	<u>\$ -</u>	0.00%
11								
12	Total Base with Gas Cost				\$ 88.71	\$ 101.26	\$ 12.55	
13	Rider FF & Rider TAX		0.06509	0.06509	5.77	6.59	0.82	14.15%
14								
15	Total Residential Average Bill				<u>\$ 94.48</u>	<u>\$ 107.85</u>	<u>\$ 13.37</u>	<u>14.15%</u>
16								
17	<u>Rate C @ 372.6 Ccf</u>							
18	Base Rates:							
19	Customer Charge		\$ 94.00	\$ 115.50	\$ 94.00	\$ 115.50	\$ 21.50	
20	Consumption Charge (Ccf)	372.6	\$ 0.22261	\$ 0.27784	82.95	103.53	20.58	
21	Total Base Rates				<u>\$ 176.95</u>	<u>\$ 219.03</u>	<u>\$ 42.08</u>	23.78%
22								
23	Gas Cost:							
24	Rider GCR Part A	372.6	\$ 0.26375	\$ 0.26375	\$ 98.28	\$ 98.28	\$ -	
25	Rider GCR Part B	372.6	\$ 0.40258	\$ 0.40258	150.02	150.02	-	
26	Total Gas Cost				<u>\$ 248.30</u>	<u>\$ 248.30</u>	<u>\$ -</u>	0.00%
27								
28	Total Base with Gas Cost				\$ 425.25	\$ 467.33	\$ 42.08	
29	Rider FF & Rider TAX		0.06509	0.06509	27.68	30.42	2.74	9.90%
30								
31	Total Commercial Average Bill				<u>\$ 452.93</u>	<u>\$ 497.75</u>	<u>\$ 44.82</u>	<u>9.90%</u>
32								

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2025

Line No.	Description	Average Volumes	Current Rates	Proposed Rates	Current Average Bill	Proposed Average Bill	Amount Change	Percent Change
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
33	<u>Rate I at 1263 MMBTU</u>							
34	Base Rates:							
35	Customer Charge		\$1,848.75	\$ 2,304.50	\$ 1,848.75	\$ 2,304.50	\$ 455.75	
36	Block 1 - Consumption Charge (MMBtu)	1,263	\$ 0.7678	\$ 0.9582	969.87	1,210.38	240.51	
37	Block 2 - Consumption Charge (MMBtu)	-	\$ 0.5623	\$ 0.7018	-	-	-	
38	Block 3 - Consumption Charge (MMBtu)	-	\$ 0.1206	\$ 0.1505	-	-	-	
39	Total Base Rates	<u>1,263</u>			<u>\$ 2,818.62</u>	<u>\$ 3,514.88</u>	<u>\$ 696.26</u>	24.70%
40								
41	Gas Cost:							
42	Rider GCR Part A (MMBtu)	1,263	\$ 2.63750	\$ 2.63750	\$ 3,331.65	\$ 3,331.65	\$ -	
43	Rider GCR Part B (MMBtu)	1,263	\$ 0.90813	\$ 0.90813	1,147.13	1,147.13	-	
44	Total Gas Cost				<u>\$ 4,478.78</u>	<u>\$ 4,478.78</u>	<u>\$ -</u>	0.00%
45								
46	Total Base with Gas Cost				\$ 7,297.41	\$ 7,993.67	\$ 696.26	
47	Rider FF and Rider TAX		0.06509	0.06509	475.01	520.33	45.32	9.54%
48								
49	Total Industrial Average Bill				<u>\$ 7,772.42</u>	<u>\$ 8,514.00</u>	<u>\$ 741.58</u>	<u>9.54%</u>
50								
51	<u>Rate T at 4935 MMBTU</u>							
52	Base Rates:							
53	Customer Charge		\$1,848.75	\$ 2,304.50	\$ 1,848.75	\$ 2,304.50	\$ 455.75	
54	Block 1 - Consumption Charge (MMBtu)	1,500	\$ 0.7678	\$ 0.9582	1,151.70	1,437.30	285.60	
55	Block 2 - Consumption Charge (MMBtu)	3,435	\$ 0.5623	\$ 0.7018	1,931.41	2,410.57	479.16	
56	Block 3 - Consumption Charge (MMBtu)	-	\$ 0.1206	\$ 0.1505	-	-	-	
57	Total Base Rates	<u>4,935</u>			<u>\$ 4,931.86</u>	<u>\$ 6,152.37</u>	<u>\$ 1,220.51</u>	24.75%
58								
59	Gas Cost:							
60	Rider GCR Part B (MMBtu)	4,935	\$ 0.90813	\$ 0.90813	\$ 4,481.46	\$ 4,481.46	\$ -	
61	Total Gas Cost				<u>\$ 4,481.46</u>	<u>\$ 4,481.46</u>	<u>\$ -</u>	0.00%
62								
63	Total Base with Gas Cost				\$ 9,413.33	\$ 10,633.84	\$ 1,220.51	
64	Rider FF and Rider TAX		0.06509	0.06509	612.74	692.19	79.45	12.97%
65								
66	Total Transportation Average Bill				<u>\$ 10,026.07</u>	<u>\$ 11,326.02</u>	<u>\$ 1,299.96</u>	<u>12.97%</u>



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

CAPTION: Resolution No. 38-2026. A Resolution transferring management responsibilities of the City of Kerrville Cultural Arts District Advisory Board to the Kerrville Convention and Visitors Bureau Foundation, Inc. (*W Martinez, Economic Development Manager, M Hornes, Assistant City Manager*)

AGENDA DATE: August 25, 2026

DATE SUBMITTED: 08/04/2026

SUBMITTED BY:

Michael Hornes, Assistant City Manager

EXHIBITS:

1. 20260825 Reso 38-2026 Cultural Arts District Advisory Board management to KCVB
2. Agreement for Transfer of Management Responsibilities for the Kerrville Arts District
3. Cultural District Change Form City of Kerrville to CVB Foundation

Expenditure:

Account Number:

**Payment to/Vendor
name:**

Amount Budgeted:

Account Balance:

Kerrville 2050 Item?

Yes

Key Priority Area:

C – Community/Neighborhood

SUMMARY:

The purpose of this resolution is to document the transfer of management responsibilities for the Kerrville Cultural District from the City of Kerrville to the Kerrville Convention and Visitors Bureau Foundation, Inc. ("CVB Foundation").

The Kerrville Cultural District was designated by the Texas Commission on the Arts in 2025 in recognition of the community's commitment to promoting arts, culture, heritage, and creative placemaking throughout Kerrville. Since receiving that designation, the City and the CVB have worked together to support the Cultural District while evaluating the most appropriate long-term organizational structure for its administration.

Following discussions between the City of Kerrville and the CVB, both organizations

agreed that the mission of the Kerrville Cultural District is more closely aligned with the existing programs and responsibilities of the CVB Foundation than with the day-to-day operations of municipal government. This decision reflects our shared commitment to positioning the Cultural District for long-term success. As it is a 501(c)(3), the CVB Foundation, can assume management over the Kerrville Cultural District.

Under this Agreement, the CVB Foundation agrees to:

Serve as the primary managing organization for the Kerrville Cultural District.

- Coordinate Cultural District planning, programming, marketing, and community partnerships.
- Maintain communication with the Texas Commission on the Arts regarding Cultural District requirements and reporting.
- Continue integrating the Cultural District into the Foundation's tourism, arts, heritage, and Community Art Program initiatives.
- Promote collaboration among local artists, cultural organizations, businesses, educational institutions, and community stakeholders.

The City of Kerrville agrees to:

- Support the continued success of the Cultural District through cooperative planning and coordination as appropriate.
- Continue collaborating with the CVB and the CVB Foundation on projects that enhance arts, tourism, downtown revitalization, placemaking, and quality of life.
- Provide reasonable assistance, information, and coordination necessary to maintain the Cultural District designation.

This transfer reflects the shared commitment of both organizations to strengthening Kerrville's arts community, supporting cultural tourism, and enhancing the quality of life for residents and visitors alike. Included in this agenda item are the amended resolution, the letter authorizing the transfer and the transfer form from the State needed for the Texas Commission on the Arts to effectuate the transfer.

RECOMMENDED ACTION:

Approve Resolution No. 38-2026.

**CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 38-2026**

**A RESOLUTION TRANSFERRING MANAGEMENT
RESPONSIBILITIES OF THE CITY OF KERRVILLE CULTURAL
ARTS DISTRICT ADVISORY BOARD TO THE KERRVILLE
CONVENTION AND VISITORS BUREAU FOUNDATION, INC.**

WHEREAS, on November 12, 2024, City Council adopted Resolution No. 46-2024, which authorized the City's submission of an application to the Texas Commission on the Arts ("Commission"); and

WHEREAS, the City's application sought the Commission's designation for a Cultural Arts District within the City, which District is intended to harness the power of cultural resources to stimulate economic development and community vitality; and

WHEREAS, the Commission granted the City's application and designated the City's Cultural Arts District ("District"), the City's downtown core, which district is depicted on **Exhibit A**; and

WHEREAS, pursuant to the designation, the City created an advisory board for the purpose and goal of encouraging, stimulating, promoting, and fostering programs for the cultural enrichment of the City that contribute to the quality of life in Kerrville and developing an awareness of the value of the arts; and

WHEREAS, the City has reached an agreement with the Kerrville Convention and Visitors Bureau Foundation, Inc. ("CVB Foundation"), a 501(c)(3) organization, to transfer management of the District from the City to the CVB Foundation in order to allow CVB Foundation to operate the District in alignment with the Convention and Visitors Bureau's existing day-to-day operations relating to tourism, arts, heritage, marketing, programming, and community partnerships.

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

SECTION ONE. City Council hereby transfers management of the Kerrville Cultural Arts District to the CVB Foundation.

SECTION TWO. The City shall provide the CVB Foundation with reasonable assistance and coordination to maintain the Cultural District designation with the Texas Commission on the Arts.

SECTION THREE. The City shall assist CVB Foundation as necessary to continue projects within the City to enhance arts, tourism, downtown revitalization, placemaking, and quality of life issues.

PASSED AND APPROVED ON this the 25th day of August A.D., 2026.

Joe Herring, Jr., Mayor

APPROVED AS TO FORM:

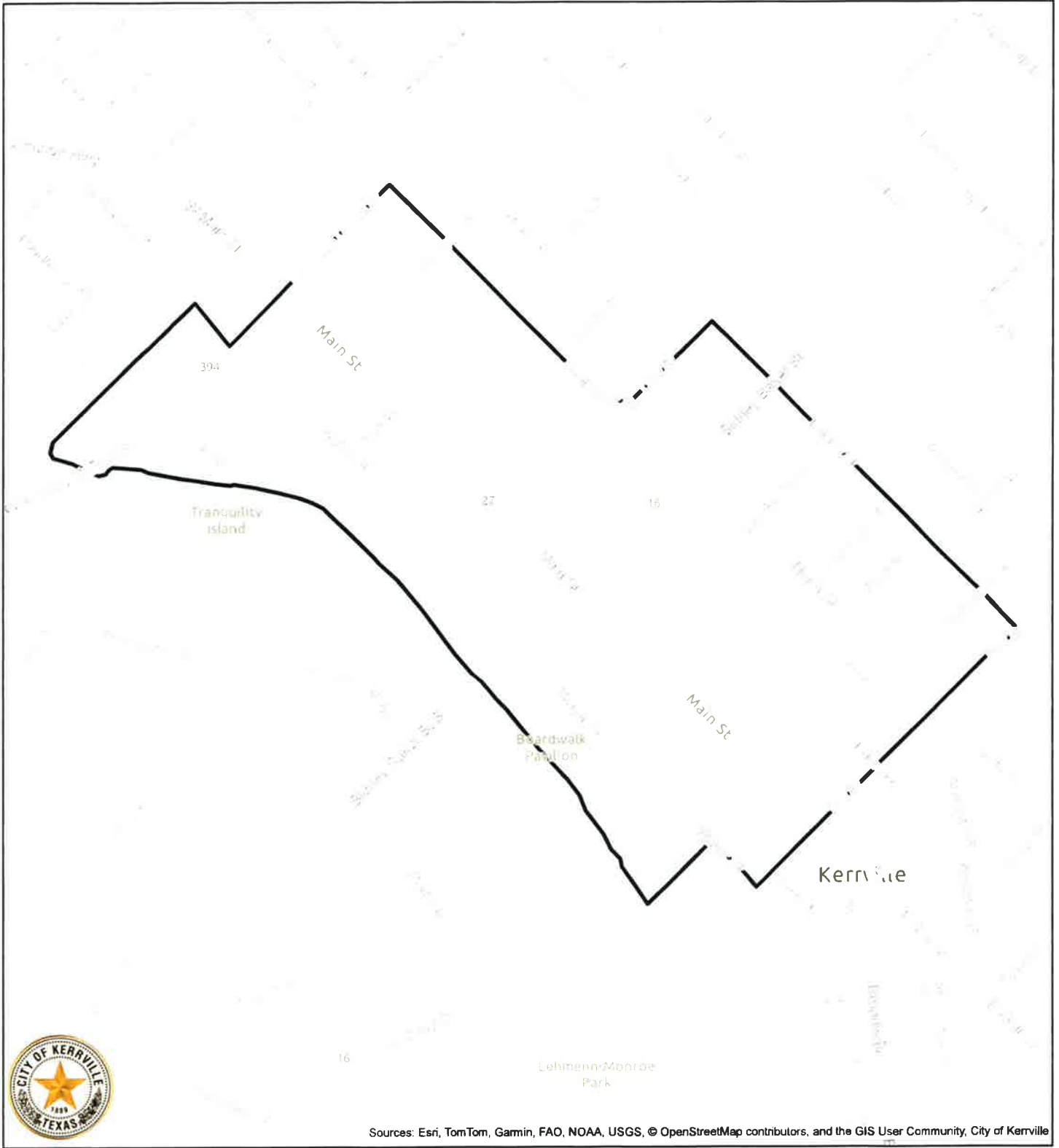
ATTEST:



William L. Tatsch, City Attorney

Shelley McElhannon, City Secretary

Downtown Arts & Culture District



Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community, City of Kerrville

 Proposed DAC Boundary

N



0 500 1,000

US Feet

04/27/2026 12:37 PM

joyoung

This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only approximate relative locations.

Agreement for Transfer of Management Responsibilities for the Kerrville Cultural District

July 8, 2026

Ms. Julie Davis
Kerrville Convention and Visitors Bureau Foundation, Inc.
2108 Sidney Baker Street, Kerrville TX, 78028

Dear Ms. Davis,

The purpose of this Agreement is to document the transfer of management responsibilities for the Kerrville Cultural District from the City of Kerrville to the Kerrville Convention and Visitors Bureau Foundation, Inc. ("CVB Foundation").

The Kerrville Cultural District was designated by the Texas Commission on the Arts in 2025 in recognition of the community's commitment to promoting arts, culture, heritage, and creative placemaking throughout Kerrville. Since receiving that designation, the City and the CVB have worked together to support the Cultural District while evaluating the most appropriate long-term organizational structure for its administration.

Following discussions between the City of Kerrville and the CVB, both organizations agreed that the mission of the Kerrville Cultural District is more closely aligned with the existing programs and responsibilities of the CVB Foundation than with the day-to-day operations of municipal government. This decision reflects our shared commitment to positioning the Cultural District for long-term success. As it is a 501(c)(3), the CVB Foundation, can assume management over the Kerrville Cultural District.

Accordingly, effective upon execution of this Agreement, the City of Kerrville relinquishes responsibility for the management, coordination, promotion, and administration of the Kerrville Cultural District, and the Kerrville Convention and Visitors Bureau Foundation accepts those responsibilities.

Under this Agreement, the CVB Foundation agrees to:

- Serve as the primary managing organization for the Kerrville Cultural District.
- Coordinate Cultural District planning, programming, marketing, and community partnerships.
- Maintain communication with the Texas Commission on the Arts regarding Cultural District requirements and reporting.
- Continue integrating the Cultural District into the Foundation's tourism, arts, heritage, and Community Art Program initiatives.
- Promote collaboration among local artists, cultural organizations, businesses, educational institutions, and community stakeholders.

The City of Kerrville agrees to:

- Support the continued success of the Cultural District through cooperative planning and coordination as appropriate.
- Continue collaborating with the CVB and the CVB Foundation on projects that enhance arts, tourism, downtown revitalization, placemaking, and quality of life.
- Provide reasonable assistance, information, and coordination necessary to maintain the Cultural District designation.

This transfer reflects the shared commitment of both organizations to strengthening Kerrville's arts community, supporting cultural tourism, and enhancing the quality of life for residents and visitors alike. We appreciate the Foundation's willingness to assume this responsibility and look forward to continuing our partnership in advancing arts and culture throughout our community.

Sincerely,

CITY OF KERRVILLE



Dalton Rice

City Manager

Accepted and Agreed:

KERRVILLE CONVENTION AND VISITORS BUREAU FOUNDATION, INC.



Julie Davis

Executive Director

Date: 8-14-26

Texas Commission on the Arts
CULTURAL DISTRICT – CHANGE FORM

Please complete the applicable portions of this form and submit to districts@arts.texas.gov

CULTURAL DISTRICT NAME: _____

NEW NAME FOR DISTRICT: _____

Is new name a DBA? ☐ YES ☐ NO ☐ Not applicable

Date of district management board meeting where new name was approved: _____

New website: _____

AMENDMENTS TO DISTRICT BOUNDARIES (indicate changes to the approved map of the district)

Date of district management board meeting where new map was approved: _____

Include map of old and new district boundaries and justification for the changes along with this form.

CURRENT CULTURAL DISTRICT MANAGEMENT (indicate **updates to contacts** for this organization in this section)

Organization Name: _____

Contact Name: _____

Phone(s): _____

Email: _____

EIN: _____

Organization Type: ☐ 501(c)(3) ☐ CITY ☐ OTHER GOV'T ☐ OTHER

NEW CULTURAL DISTRICT MANAGEMENT (indicate **transfers of district management** between organizations)

Organization Name: _____

Contact Name: _____

Phone(s): _____

Email: _____

EIN: _____

Organization Type: ☐ 501(c)(3) ☐ CITY ☐ OTHER GOV'T ☐ OTHER

Include documentation of transfer agreement between the two organizations along with this form.

Section below is for TCA staff

Date: _____ Review by : _____ Notification: _____ Updates : _____ Filed: _____



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

CAPTION: Resolution No. 39-2026. A Resolution approving the use of Tax Increment Funding in the amount not to exceed \$100,000.00 pursuant to a recommendation from the Reinvestment Zone Number One, City of Kerrville, Texas; such funding to be used by the City to provide parking lot grants to fund parking lot improvements within the City's Tax Increment Reinvestment Zone Number One. (*W Martinez, Economic Development Manager*)

AGENDA DATE: August 25, 2026

DATE SUBMITTED: 08/13/2026

SUBMITTED BY:

Winema Martinez, Economic Development Manager

EXHIBITS:

1. Fund Approval_Parking Lot Improvement_081326 (Reso 39-2026)

Expenditure:

Account Number:

**Payment to/Vendor
name:**

Amount Budgeted:

Account Balance:

Kerrville 2050 Item?

Yes

Key Priority Area:

D – Downtown Revitalization

SUMMARY:

TIRZ #1 initiated the Parking Lot Enhancement Grant Program, which was approved by City Council in May 2026. The TIRZ #1 Board initially allocated \$50,000 toward the program in response to the significant number of parking lot improvement requests identified during the Exterior Enhancement Grant application review.

Following the recent flood, several businesses sustained damage to their parking lots, creating additional needs for repairs and improvements. In response, the TIRZ #1 Board requested an additional \$50,000 for the Parking Lot Enhancement Grant, bringing the total program funding to \$100,000. The Board also requested that the review committee give consideration to businesses that sustained parking lot damage as a result of the recent flood.

RECOMMENDED ACTION:

Approve Resolution No. 39-2026, Approval of an additional \$50,000 being allocated

from TIRZ #1 for the Parking Lot Grant.

**CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 39-2026**

A RESOLUTION APPROVING THE USE OF TAX INCREMENT FUNDING IN THE AMOUNT NOT TO EXCEED \$100,000.00 PURSUANT TO A RECOMMENDATION FROM THE REINVESTMENT ZONE NUMBER ONE, CITY OF KERRVILLE, TEXAS; SUCH FUNDING TO BE USED BY THE CITY TO PROVIDE PARKING LOT GRANTS TO FUND PARKING LOT IMPROVEMENTS WITHIN THE CITY'S TAX INCREMENT REINVESTMENT ZONE NUMBER ONE.

WHEREAS, City Council, pursuant to Chapter 311 of the Texas Tax Code as known as the Tax Increment Financing Act (the "Act") and its adoption of Ordinance No. 2018-19, previously designated a geographic area within the City as a tax increment reinvestment zone ("TIRZ"); and

WHEREAS, Ordinance No. 2018-19 designated the TIRZ as "Reinvestment Zone Number One, City of Kerrville, Texas" (the "Zone") and established a tax increment fund for the Zone (the "TIF Fund") pursuant to the Act; and

WHEREAS, the goal of the Zone and the use of the TIF Fund, in accordance with the Act, is to fund the construction of needed public infrastructure and to encourage private development within the boundaries of the Zone; and

WHEREAS, during an open meeting held on May 13, 2026, the Board of Directors for the Zone voted to make a recommendation to the City Council that revenue accumulated within the TIF Fund be used to fund a \$50,000.00 fund to issue individual matching grants up to \$5,000.00 per recipient to repair, restripe, and improve parking lots within the boundaries of the Zone, which City approved by resolution on May 26, 2026; and

WHEREAS, during an open meeting held on August 12, 2026, the Board of Directors for the Zone, pursuant to its powers under the Act, voted to recommend City Council approve that revenue accumulated within the TIF Fund be used to fund an additional \$50,000.00 fund to issue individual grants up to \$5,000.00 per recipient to repair, restripe, and improve parking lots (the "Project") within the boundaries of the Zone; and

WHEREAS, City Council desires to approve the recommendation from the Board of Directors of the Zone for the use of TIF Funds to complete the Project;

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

SECTION ONE. All of the above findings are found to be true and correct.

SECTION TWO. City Council authorizes the use of TIF Funds in the amount of \$100,000.00 to fund a grant program as described above for a Project that is aligned with the Zone and its adopted project plan to promote economic development as part of the City's preliminary project and finance plan relating to the Reinvestment Zone Number One.

**PASSED AND APPROVED ON this the ____ day of _____ A.D.,
2026.**

Joe Herring, Jr., Mayor

APPROVED AS TO FORM:

ATTEST:



William L. Tatsch, City Attorney

Shelley McElhannon, City Secretary



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

CAPTION: Resolution No. 40-2026. A Resolution approving the use of Tax Increment Funding in the amount not to exceed a total of \$150,000.00 pursuant to a recommendation from the Reinvestment Zone Number One, City of Kerrville, Texas; such funding to be used by the City to provide Exterior Enhancement Grants to fund exterior enhancements to buildings within the City's Tax Increment Reinvestment Zone Number One. (*W Martinez, Economic Development Manager*)

AGENDA DATE: August 25, 2026

DATE SUBMITTED: 08/13/2026

SUBMITTED BY:

Winema Martinez, Economic Development Manager

EXHIBITS:

1. 20260825 Reso 40-2026 TIRZ1 Exterior Enhancement Grant

Expenditure:

Amount Budgeted:

Account Number:

Account Balance:

**Payment to/Vendor
name:**

Kerrville 2050 Item?

Key Priority Area:

Yes

D – Downtown Revitalization

SUMMARY:

TIRZ #1 initiated its first grant program, the Exterior Enhancement Grant, which was approved by City Council in October 2025. The program received 42 applications totaling \$198,790 in requested grant funding. Due to the highly competitive process, 13 projects were initially selected for funding. Following the success of the first round, TIRZ #1 requested an additional \$50,000 for the program, which City Council approved in March 2026. The second round resulted in an additional five projects being selected for funding, bringing the total number of projects selected to 18. Following the recent flood, several businesses sustained significant damage, creating additional needs for recovery and property improvements. In response, the TIRZ #1 Board requested that an additional \$50,000 be allocated to the Exterior Enhancement Grant, bringing the total program funding to \$150,000. The Board also requested that the review committee evaluate businesses impacted by the recent flood for consideration for grant funding.

RECOMMENDED ACTION:

Approve Resolution No. 39-2026, Approval for an additional \$50,000 to be allocated from TIRZ #1 for the Exterior Enhancement Grant.

**CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 40-2026**

A RESOLUTION APPROVING THE USE OF TAX INCREMENT FUNDING IN THE AMOUNT NOT TO EXCEED A TOTAL OF \$150,000.00 PURSUANT TO A RECOMMENDATION FROM THE REINVESTMENT ZONE NUMBER ONE, CITY OF KERRVILLE, TEXAS; SUCH FUNDING TO BE USED BY THE CITY TO PROVIDE EXTERIOR ENHANCEMENT GRANTS TO FUND EXTERIOR ENHANCEMENTS TO BUILDINGS WITHIN THE CITY'S TAX INCREMENT REINVESTMENT ZONE NUMBER ONE.

WHEREAS, City Council, pursuant to Chapter 311 of the Texas Tax Code as known as the Tax Increment Financing Act (the "Act") and its adoption of Ordinance No. 2018-19, previously designated a geographic area within the City as a tax increment reinvestment zone ("TIRZ"); and

WHEREAS, Ordinance No. 2018-19 designated the TIRZ as "Reinvestment Zone Number One, City of Kerrville, Texas" (the "Zone") and established a tax increment fund for the Zone (the "TIF Fund") pursuant to the Act; and

WHEREAS, the goal of the Zone and the use of the TIF Fund, in accordance with the Act, is to fund the construction of needed public infrastructure and to encourage private development within the boundaries of the Zone; and

WHEREAS, during two previous open meetings, the Board of Directors for the Zone voted to make a recommendation to the City Council that revenue accumulated within the TIF Fund be used to fund a total of \$100,000.00 fund to issue individual matching grants up to \$5,000.00 per recipient to make exterior enhancements to commercial buildings within the boundaries of the Zone, which City Council approved on October 8, 2025 and March 24, 2026; and

WHEREAS, during an open meeting held on August 12, 2026, the Board of Directors for the Zone, pursuant to its powers under the Act, voted to recommend City Council approve that revenue accumulated within the TIF Fund be used to fund an additional \$50,000.00 fund to issue individual grants up to \$5,000.00 per recipient to make exterior enhancements to commercial buildings (the "Project") within the boundaries of the Zone; and

WHEREAS, City Council desires to approve the recommendation from the Board of Directors of the Zone for the use of TIF Funds to complete the Project;

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

SECTION ONE. All of the above findings are found to be true and correct.

SECTION TWO. City Council authorizes the use of TIF Funds in a total amount of \$150,000.00 to fund a grant program as described above for a Project that is aligned with the Zone and its adopted project plan to promote economic development as part of the City's preliminary project and finance plan relating to the Reinvestment Zone Number One.

**PASSED AND APPROVED ON this the ____ day of _____ A.D.,
2026.**

Joe Herring, Jr., Mayor

APPROVED AS TO FORM:

ATTEST:



William L. Tatsch, City Attorney

Shelley McElhannon, City Secretary



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

CAPTION: Resolution No. 41-2026. A Resolution setting forth the Ad Valorem (Property) Tax Rate to be considered for adoption for the 2026 Tax Year; said rate proposed to be \$0.5846 per \$100 of assessed value; and calling a public hearing prior to the adoption of the tax rate and the Fiscal Year 2027 budget. (*J Behrens, Finance Director*)

AGENDA DATE: August 25, 2026

DATE SUBMITTED: 08/17/2026

SUBMITTED BY:

JULIE BEHRENS, Director of Finance

EXHIBITS:

1. 20260825 Reso 41-2026 Ad Valorem Property Tax rate 2026 Tax Year

Expenditure:

Account Number:

**Payment to/Vendor
name:**

Amount Budgeted:

Account Balance:

Kerrville 2050 Item?

No

Key Priority Area:

SUMMARY:

Resolution No. 41-2026 includes a proposed property tax rate of \$0.5846, which is the Voter-Approval Tax Rate included in the Fiscal Year 2027 Proposed Budget filed on July 31, 2026.

The resolution also establishes the date for the public hearing on the proposed tax rate, to be determined by City Council at this meeting.

Due to the disaster declared by the Governor in July 2026, and based on the other requirements of Texas Tax Code §26.042, the City Council may consider an emergency tax rate of up to 8% above the No-New-Revenue Tax Rate, which would be higher than the rate than what is included in the Fiscal Year 2027 Proposed Budget.

The emergency tax rate must be calculated by the Kerr County Tax Assessor-Collector as directed by Resolution No. 35-2026. The calculation was not available when this agenda was posted but will be presented and discussed at the meeting.

No action is being taken to adopt a property tax rate. This item only establishes the proposed rate for consideration and sets the date for the required public hearing.

RECOMMENDED ACTION:

Approve Resolution No. 41-2026.

**CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 41-2026**

A RESOLUTION SETTING FORTH THE AD VALOREM (PROPERTY) TAX RATE TO BE CONSIDERED FOR ADOPTION FOR THE 2026 TAX YEAR; SAID RATE PROPOSED TO BE \$0.5846 PER \$100 OF ASSESSED VALUE; AND CALLING A PUBLIC HEARING PRIOR TO THE ADOPTION OF THE TAX RATE AND THE FISCAL YEAR 2027 BUDGET

WHEREAS, Chapter 26 of the Texas Tax Code sets out the procedural requirements for the adoption of a city's ad valorem (property) tax rate; and

WHEREAS, where a city's proposed tax rate exceeds the no-new-revenue tax rate, as defined in Section 26.04 of the Texas Tax Code, several additional procedural actions must occur to include notice and the holding of a public hearing; and

WHEREAS, the proposed tax rate for the City of Kerrville, Texas ("City") for its 2026-27 fiscal year is \$0.5846 per \$100 assessed value, which exceeds the no-new-revenue tax rate and the voter-approval tax rate; and

WHEREAS, in addition, Section 8.03 of the City Charter and Section 102.006 of the Texas Local Government Code require the City Council to hold a public hearing regarding the City's proposed budget; and

WHEREAS, City Council now establishes the date for the public hearings for adopting both the proposed fiscal year 2027 budget and the 2026 tax rate;

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

SECTION ONE. Tax Rate; Public Hearing. The City Manager and City Attorney are directed to prepare an ordinance for consideration by City Council, which if adopted, will adopt and impose a total ad valorem (property) tax rate for the tax year 2026 at a rate of **\$0.5846** per \$100 assessed value. The new rate is higher than the no-new-revenue tax rate of \$0.5706 and equal to the voter-approval rate of \$0.5846. This proposed tax rate is currently scheduled to be adopted by passage of an ordinance, the second and final reading of which is scheduled to occur on September 22, 2026. The first reading of the ordinance, scheduled to occur on September 8, 2026, includes a public hearing, which shall occur during the meeting scheduled for 6:00 p.m. at City Hall, 701 Main Street.

SECTION TWO. Publication of Budget. In accordance with Section 8.03 of the City Charter, the City Secretary is directed to publish a general summary of

the budget and a notice stating the time and places where this message and full budget are available for public inspection.

SECTION THREE. Public Hearing for Budget. Pursuant to Section 8.03 of the City Charter and Chapter 102, Texas Local Government Code, a public hearing on the proposed budget is scheduled to occur during the meeting scheduled for 6:00 p.m. on September 8, 2025, at City Hall, 701 Main Street.

SECTION FOUR. Notices. The City Secretary is directed to provide notice of the above specified public hearings and to take other actions in accordance with state law and the City's Charter.

PASSED AND APPROVED ON this the ___ day of _____ A.D., 2026.

Joe Herring, Jr., Mayor

ATTEST:

Shelley McElhannon, City Secretary

APPROVED AS TO FORM:



William L. Tatsch, City Attorney



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

CAPTION: Discussion regarding future of Granger MacDonald Park. (*M Hornes, Asst City Manager*)

AGENDA DATE: August 25, 2026

DATE SUBMITTED: 08/18/2026

SUBMITTED BY:

Michael Hornes, Assistant City Manager

EXHIBITS:

1. Letter to the City from UGRC - Granger MacDonald Park
2. Gift Deed Granger MacDonald Park
3. City of Kerrville GGM Park Abandonment Request 20260818

Expenditure:

Account Number:

**Payment to/Vendor
name:**

Amount Budgeted:

Account Balance:

Kerrville 2050 Item?

Yes

Key Priority Area:

SUMMARY:

On August 14th, staff received correspondence from Justin MacDonald, President of Thompson Drive Partners, LLC, requesting that Granger MacDonald Park be deeded back to them as the original owners. Included within this agenda is a copy of the gift deed which includes a provision for transferring the property back to the original owners, if the City abandons the park. I have included the message received from Mr. MacDonald here:

"In light of recent disasters causing financial hardship to the City of Kerrville, we (Thompson Drive Partners) understand the City Council's decision not to fund construction of Granger MacDonald Park at this time. As the original donor of the park site to the City, we respectfully request that City Council pass a resolution formally abandoning the park. This would have the automatic effect of returning title to the park to us.

This would enable us to work with the Upper Guadalupe River Center nonprofit and other community partners to continue developing the property as a publicly accessible

park without delay and without further financial obligation to the City. Our plan would be to donate the property to UGRC to develop the park substantially as already planned, and in conjunction with the Guadalupe River Center development."

Additionally, staff and City Council received a letter from the board of directors of the UGRC, which is included as an attachment here, requesting that the City of Kerrville abandon the Granger MacDonald Park property and return it to the original owner, In light of these recent events, staff has placed this item back on the agenda, to consider this possibility and receive direction from the City Council.

RECOMMENDED ACTION:

Provide staff guidance on next steps.

August 14, 2026

Board of Directors

John Anderson
Paul Anderson
Gregg Appel
Allison Bueche
Darby Campbell
Julie Davis
Judy Eychner
Katie Fineske
Dr. Matt Goodwin
Layng Guerriero
Kristen Hedger
Wende Jones
Peter Lewis
Justin MacDonald
Diane Maskey
Charlie McIlvain
Dr. Brent Ringo
Steve Schulte

City Manager Dalton Rice
Assistant City Manager Michael Hornes
Mayor Joe Herring, Jr.
Councilmember Delayne Sigerman, Place 1
Councilmember Jeff Harris, Place 2
Councilmember Kent McKinney, Place 3
Councilmember Crystal Smith, Place 4

City of Kerrville
701 Main Street
Kerrville, Texas 78028

Re: Support for Resolution Regarding Granger MacDonald Park

Dear City Manager, Assistant City Manager, Mayor Herring, and City Council Members:

On behalf of the Guadalupe River Center, Inc., we support the resolution requested today by Thompson Drive Partners regarding the rescission of the Granger MacDonald Park land donation. We understand the financial pressures facing the City after the recent floods and the uncertainty surrounding state and federal reimbursements. If the City cannot fund the park, we support a path that allows the project to move forward without imposing additional obligations on the City. If the property is returned to Thompson Drive Partners and donated to the Guadalupe River Center, we will work with our Board and donors to redirect resources, cover the development costs, and make completing the park our top priority. **This action may potentially allow the estimated \$2 million in Economic Improvement Corporation funds previously intended for the park to be redirected to other eligible community priorities.**

Moving the project forward promptly is important. More than 300 community supporters and donors, along with developers who have invested in the south side of Nimitz Lake, have relied on the City's commitment to Granger MacDonald Park and its MOU, including some with pending real estate closings. Protecting that confidence will support continued investment, strengthen Kerrville's tax base, and aid its financial recovery. Schreiner University has invested in a collegiate sailing program that begins in fall 2027, and a 40-ft-wide river access ramp is important for the Kerrville Triathlon's September 2027 return. Completion of the park will provide a visible sign of progress and renewal for our community while helping generate much-needed economic activity as we recover.

We appreciate the City's investment in planning and developing Granger MacDonald Park and intend to preserve the value of that work as the project moves forward.

Respectfully,



Layng Guerriero
Chairman, Guadalupe River Center, Inc.

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

GIFT DEED

State of Texas

County of Kerr

KNOW ALL MEN BY THESE PRESENTS:

That Thompson Drive Partners, LLC, whose address is 1208 Landing Lane, Kerrville, Texas 78028, hereinafter referred to as "Grantor", for and in consideration of its desire to facilitate improvement to the quality of life for the residents of the city of Kerrville and Kerr County, Texas, does hereby grant, give, and convey to the City of Kerrville, Texas, a Texas home-rule municipal corporation, whose address is 701 Main Street, Kerrville, Kerr County, Texas 78028, all of Grantor's right, title, and interest, together with all singular the rights and appurtenances thereto in anywise belonging, in the following property, to wit:

Being Lot 903, which consists of approximately 1.537 acres and was created by the *Final Plat of "the Landing"*, a subdivision within the city of Kerrville according to the plat of record in File #19-05337 of the Plat Records of Kerr County, Texas, said plat which designated the lot as "public parkland dedication" (the "Property").

TO HAVE AND TO HOLD the Property unto Grantee, its successors, and assigns forever. Grantee shall use the Property for the purpose of creating and maintaining a public park, the opening and type of which to be solely determined by the Grantee. Grantee, its successor and assigns shall enjoy the rights, benefits, and privileges herein conveyed until such time as the Property may be abandoned, at

which time all right, title, and interest in the Property shall automatically and immediately cease to exist. However, any such "abandonment" shall only be effective and occur in accordance with state law and upon formal action taken by the Kerrville City Council. Grantor binds Grantor, its heirs, successors, administrators, and assigns to warrant and forever defend all and singular the Property to Grantee, its successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof by, through, or under Grantor, but not otherwise.

EXECUTED this 22nd day of March, 2021.

THOMPSON DRIVE PARTNERS, LLC

BY: MACDONALD COMPANIES, INC.
MANAGING MEMBER

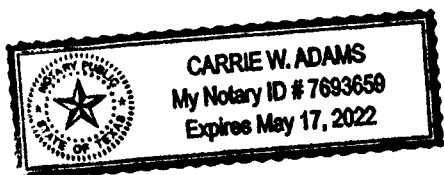
BY: [Signature]
T. JUSTIN MACDONALD
PRESIDENT

STATE OF TEXAS

§
§
§

COUNTY OF Kerr

This instrument was acknowledged before me on the 22 day of March, 2021, by T. Justin MacDonald, President, Thompson Drive Partners, LLC.



[Signature]
Notary Public, State of Texas

✓ Upon Recording, Return to:
City of Kerrville, Texas
City Secretary
City Hall, 701 Main Street
Kerrville, Texas 78028

T:\Legal\City Property\Parks\Gift Deed_MacDonald Park_Thompson Dr Partners inc_031821.docx

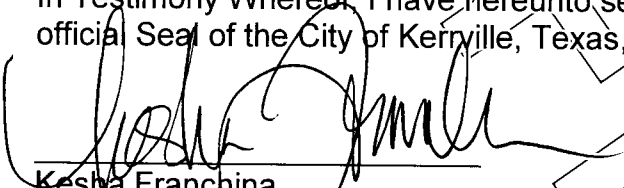
GIFT DEED FROM THOMPSON DRIVE PARTNERS, LLC TO
CITY OF KERRVILLE, TEXAS - PAGE 2

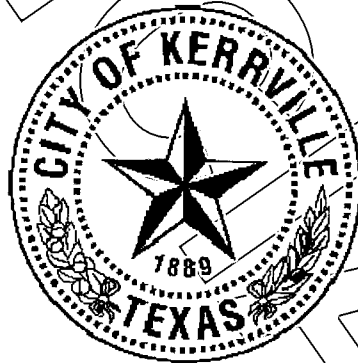
STATE OF TEXAS

COUNTY OF KERR

I, Kesha Franchina, hereby certify that I am the Deputy City Secretary of the City of Kerrville, Kerr County, Texas, and that the minutes, resolutions, ordinances, regulations, codes, and laws of the City of Kerrville are kept under my custody and control, and that the attached is a true and correct copy of Gift Deed, Lot 903, The Landing, as the original appears on file in the Office of the City Secretary, City of Kerrville, Texas.

In Testimony Whereof, I have hereunto set my hand and seal and affixed the official Seal of the City of Kerrville, Texas, this the 23rd day of March, 2021.


Kesha Franchina
Deputy City Secretary
City of Kerrville, Texas
701 Main Street
Kerrville, Texas 78028



FILED AND RECORDED
At 10:41 o'clock A.M.
STATE OF TEXAS
COUNTY OF KERR

March 23, 2021

I hereby certify that this instrument was filed in the numbered sequence on the date and time stamped above by me and was duly recorded in the Official Public Records of Kerr County, Texas.
Jackie Dowdy County Clerk

Deputy



MacDonald
C O M P A N I E S

Affordable Lifestyles. Community Values.

August 14, 2026

Dalton Rice, City Manager
Michael Hornes, Assistant City Manager
City of Kerrville
701 Main Street
Kerrville, Texas 78028

Gentlemen,

In light of recent disasters causing financial hardship to the City of Kerrville, we (Thompson Drive Partners) understand the City Council's decision not to fund construction of Granger MacDonald Park at this time. As the original donor of the park site to the City, we respectfully request that City Council pass a resolution formally abandoning the park. This would have the automatic effect of returning right, title, and interest to Thompson Drive Partners.

This would enable us to work with the Guadalupe River Center nonprofit and other community partners to continue developing the property as a publicly accessible park without delay and without further financial obligation to the City. Our intent is to donate the property to GRC to develop the park substantially as already planned, and in conjunction with the Guadalupe River Center development.

We believe this satisfies the original intent of the donation, which is to create a new park for the public to access Nimitz Lake and the Guadalupe River. We also believe that formal abandonment most easily satisfies the reversion language in the deed granting the park to the City with the fewest legal hurdles. Finally, allowing GRC to develop the park with private donations will be the quickest way to get the park built and into service.

I am happy to set a meeting with you to discuss in more detail if you would like.

Sincerely,

Thompson Drive Partners, LLC
By: MacDonald Companies, its manager
By: T. Justin MacDonald, President and CEO



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

CAPTION: Appointment to the Building Board of Adjustment and Appeals (BBAA). (S McElhannon, City Secretary) *(This item eligible for Executive Session 551.074)*

AGENDA DATE: August 25, 2026

DATE SUBMITTED: 07/20/2026

SUBMITTED BY:

Shelley McElhannon, City Secretary

EXHIBITS:

None

Expenditure:

Account Number:

**Payment to/Vendor
name:**

Amount Budgeted:

Account Balance:

Kerrville 2050 Item?

No

Key Priority Area:

SUMMARY:

Currently the Board has two vacancies, with two possible applicants: Kyle Reeves, Eric Roberts

RECOMMENDED ACTION:

Consideration/Appoint member(s).



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

CAPTION: Appointment to the Library Advisory Board. (*S McElhannon, City Secretary*)

AGENDA DATE: August 25, 2026

DATE SUBMITTED: 08/13/2026

SUBMITTED BY:

Shelley McElhannon, City Secretary

EXHIBITS:

None

Expenditure:

Account Number:

**Payment to/Vendor
name:**

Amount Budgeted:

Account Balance:

Kerrville 2050 Item?

No

Key Priority Area:

SUMMARY:

Currently the Board has one vacancy, and one application has been received: Regina Gordon.

RECOMMENDED ACTION:

Consideration/Appoint member(s).



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

CAPTION: Appointment to the Recovery Community Coalition. (*S McElhannon, City Secretary*)

AGENDA DATE: August 25, 2026

DATE SUBMITTED: 08/13/2026

SUBMITTED BY:

Shelley McElhannon, City Secretary

EXHIBITS:

None

Expenditure:

Account Number:

**Payment to/Vendor
name:**

Amount Budgeted:

Account Balance:

Kerrville 2050 Item?

No

Key Priority Area:

SUMMARY:

Currently the Board has two vacancies, and two applications have been received: Lori Finkbeiner, Timothy Truitt.

RECOMMENDED ACTION:

Consideration/Appoint member(s).



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

CAPTION: Appointment to the Planning and Zoning Commission. *(S McElhannon, City Secretary) This item eligible for Executive Session 551.074.*

AGENDA DATE: August 25, 2026

DATE SUBMITTED: 08/17/2026

SUBMITTED BY:

Shelley McElhannon, City Secretary

EXHIBITS:

None

Expenditure:

Account Number:

**Payment to/Vendor
name:**

Amount Budgeted:

Account Balance:

Kerrville 2050 Item?

No

Key Priority Area:

SUMMARY:

The Board has one vacancy, and one application: Katie Kane.

RECOMMENDED ACTION:

Consideration/Appoint member(s).



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

CAPTION: Appointment to the Tax Increment Reinvestment Zone Board #1. (S
McElhannon, City Secretary)

AGENDA DATE: August 25, 2026

DATE SUBMITTED: 08/18/2026

SUBMITTED BY:

Shelley McElhannon, City Secretary

EXHIBITS:

None

Expenditure:

Account Number:

**Payment to/Vendor
name:**

Amount Budgeted:

Account Balance:

Kerrville 2050 Item?

No

Key Priority Area:

SUMMARY:

The Board has one vacancy, and one application: Katie Kane.

RECOMMENDED ACTION:

Consideration/Appoint member(s).