



City Council Meeting Agenda
May 27, 2025 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 [City 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.

Pursuant to Section 30.06, Penal Code (trespass by license holder with concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun.

Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun carried openly.

Pursuant to Section 46.03, Penal Code (places weapons prohibited), a person may not carry a firearm or weapon on this property. Thank you for your participation!

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 thanks, congratulations, condolences; holidays; recognitions; city sponsored events, or events scheduled which city officials will attend; safety and imminent threats to the public. No action will be taken.*
2. **PRESENTATIONS:**
 - 2.A Kerrville Kindness award: Paul Hawkins, for keeping Kerrville beautiful. *(J Herring, Mayor and D Sigerman, Councilmember)*
 - 2.B Citizens Academy participants recognition. *(J Herring, Mayor and C Tork, Director of Innovation and Technology)*
 - 2.C Proclamation: Motorcycle Awareness month, May 2025. *(J Herring, Mayor)*
 - 2.D Proclamation: Community Council Action month, May 2025. *(J Herring, Mayor)*
 - 2.E Presentation: Arcadia Live, Inc. update on promoting vibrant, diverse entertainment and preserving downtown Kerrville's heritage to attract tourists and support the local hotel industry. *(J Bogusch, Finance Compliance)*
3. **VISITORS/CITIZENS FORUM:** *A citizen with business not scheduled on the agenda may speak to the City Council. Prior to speaking, each speaker must complete a speaker request form and submit 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:** *These items are considered routine and can be approved in one motion unless a Councilmember, staff, or member of the public asks for separate consideration of an item. It is recommended City Council approve the following items which will grant the Mayor or City Manager the authority to take actions necessary for each approval:*
 - 4.A Ordinance No. 2025-12 second reading. An Ordinance amending the City's Fiscal Year 2025 Budget by reallocating funds from the City's Fiscal Year 2024 Budget; transferring funds from the Fiscal Year 2024 Street Maintenance Fund to the Capital Projects Fund;

accounting for previously received American Rescue Plan Act Grant Funds; and making other amendments as provided. *(J Behrens, Director of Finance)* (ORDINANCE NO. 2025-12 WAS UNANIMOUSLY APPROVED ON FIRST READING MAY 13, 2025.)

- 4.B Resolution No. 11-2025. A Resolution adopting and authorizing the Mayor to act on behalf of the City with respect to the Kerr County, Texas Multi-jurisdiction Hazard Mitigation Plan. *(E Maloney, Fire Chief)*
- 4.C General Contract - Small Project; K&R Heating & Cooling, LLC / City Hall RTU Replacement in the amount of \$54,639.80. *(R Ledesma, Interim Director Parks & Recreation)*
- 4.D First Amendment to Project Funding Agreement between the Economic Improvement Corporation (EIC) and the City for Improvements Made to the City's Olympic Pool. *(R Ledesma, Interim Director Parks & Recreation)*
- 4.E Request Purchase of Zenon Water Plant Strainers. Budgeted Item. *(D Barrera, Director of Utilities)*
- 4.F City Council workshop minutes May 13, 2025. *(S McElhannon, City Secretary)*
- 4.G City Council meeting minutes May 13, 2025. *(S McElhannon, City Secretary)*

5. **PUBLIC HEARING AND ORDINANCES, FIRST READING:**

- 5.A Ordinance No. 2025-13. 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 329 W. Main, consisting of part of Lot 17 and Lot 18, Block 17, of the Westland Addition, and within the City of Kerrville, Kerr County, Texas; from a Single-Family Residential with Accessory Dwelling Unit Zoning District (R-1A) to a Residential Transition Zoning District (RT); and providing other matters relating to the subject. *(D Paxton, Director of Planning & Development Services)*

6. **CONSIDERATION AND POSSIBLE ACTION:**

- 6.A Resolution No. 12-2025. A Resolution authorizing a waiver of various fees associated with the construction of single-family homes for Habitat for Humanity Kerr County, Inc.; said waiver applicable to the construction of forty-four homes on existing lots within its Mariposa Subdivision. *(D Paxton, Director of Planning & Building Services)*
- 6.B Agreement with Guadalupe-Blanco River Authority to enter into Guadalupe River Habitat Conservation Plan. *(S Barron, Executive Director)*
- 6.C Construction Contract with Dowtech Specialty Contractors, Inc. for the Lift Station Rehabilitation project in the amount of \$2,955,207.00. *(K Burow, Director Engineering)*
- 6.D Professional Service Agreement with Spanish Oak Consultants, LLC for professional golf services at Scott Schreiner Golf Course. *(R Ledesma, Interim Parks & Recreation Director)*
- 6.E Presentation for a Main Street City Program and full-time Manager position, including job description, and budget. *(D Sigerman, Councilmember)*
- 6.F Tivy Mountain Cemetery. *(J Herring, Mayor and D Rice, City Manager)*

7. **FINANCE:**

7.A Financial Report: Month-Ending 4-30-2025. (*J Behrens, Director Finance*)

8. **BOARD APPOINTMENTS:**

8.A Appointment to the Economic Improvement Corporation. (Eligible for Executive Session 551.074) (*S McElhannon, City Secretary*)

8.B Councilmember liaison serving on Boards, including EIC, Airport, Playhouse 2000. (*J Herring, Mayor*)

9. **EXECUTIVE SESSION:** *City Council may, as permitted by law, adjourn into executive session at any time to discuss a matter listed above if meeting 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):*

9.A Appoint member(s) to the Economic Improvement Corporation. (551.074) (*S McElhannon, City Secretary*)

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

11. **ITEMS FOR FUTURE AGENDAS:** *Council may suggest items/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 the City's website May 22, 2025 at 2:30pm, and remained posted continuously for at least 72 hours 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: Arcadia Live, Inc. update on promoting vibrant, diverse entertainment and preserving downtown Kerrville's heritage to attract tourists and support the local hotel industry.
(J Bogusch, Finance Compliance)

AGENDA DATE: May 27, 2025

DATE SUBMITTED: 05/06/2025

SUBMITTED BY:

EXHIBITS:

1. 20250527 Presentation Arcadia Live Inc HOT Presentation double slides

Expenditure:

Amount Budgeted:

Account Number:

Account Balance:

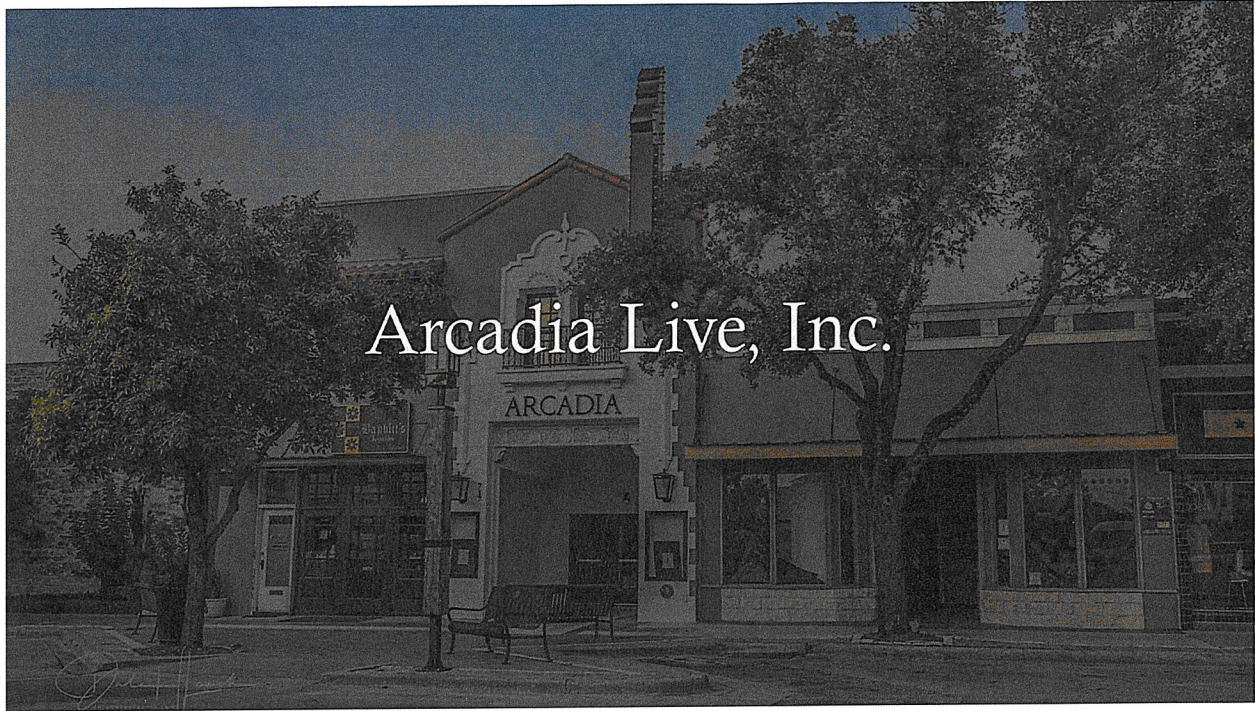
**Payment to/Vendor
name:**

Kerrville 2050 Item?

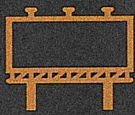
Key Priority Area:

SUMMARY:

RECOMMENDED ACTION:



\$25K HOT funds usage & Promoting Tourism to Kerrville



Advertising

*\$20k

*Paid ads on Facebook and Instagram targeting 45+ miles away for each concert

*Using Hashtags & Mentions of Kerrville, Kerrville TX, Downtown Kerrville



Programming

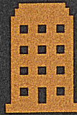
*78 total events March '24-March '25

*\$340k Musical Talent

*\$5,470 Movie Rights



24% of concert attendees traveled 60 miles or more



Hotel Booking

*We utilize Inn of the Hills as our main hotel when booking overnight stays for bands

*We have booked over 40 rooms from 2024 to April 2025



Free community events

*Monthly events such as Trivia, Bingo and On Deck are well attended, roughly 150 people at each event.

*In speaking to many of the regulars, Arcadia is a go to local hang out but especially when the locals have family in town.

*Many of the visiting families staying in hotels.

'24-'25 Accomplishments and future endeavors

Brought in
roughly 15,000
people through
our doors

Since conception, we
have not been included
on any tour
announcements until
2024

Announced as part
of Robert Earl
Keens Christmas
Tour & The Wilder
Blue Tour

Announced as part of
Lyle Lovett's Tour –
largest show to date in
attendance and largest
artist fees

Community
partners...KISD
& SOC on field
trips

In '24-'25 added new
monthly community
events – Not Your
Granny's Bingo &
Iconic Film Series

New series "In The
Round series began Q1
2025, intimate event
with musicians in the
middle of the theatre
with a catered dinner

Community partners cont.
Community Foundation,
Hill Country Micro School,
Art to Heart, Hill Country
Charity Ball, Kerrville Pets
Alive, City of Kerrville

Rocky Horror Picture
Show
The Texases – 90's country
dance night
Hill Country Classic Golf
Tournament



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

CAPTION: Ordinance No. 2025-12 second reading. An Ordinance amending the City's Fiscal Year 2025 Budget by reallocating funds from the City's Fiscal Year 2024 Budget; transferring funds from the Fiscal Year 2024 Street Maintenance Fund to the Capital Projects Fund; accounting for previously received American Rescue Plan Act Grant Funds; and making other amendments as provided. (*J Behrens, Director of Finance*) (*ORDINANCE NO. 2025-12 WAS UNANIMOUSLY APPROVED ON FIRST READING MAY 13, 2025.*)

AGENDA DATE: May 27, 2025

DATE SUBMITTED: 03/07/2025

SUBMITTED BY:

EXHIBITS:

1. 20250527 Ord 2025-12 FY2025 Budget amend 2nd read

Expenditure:

Amount Budgeted:

Account Number:

Account Balance:

**Payment to/Vendor
name:**

Kerrville 2050 Item?

Key Priority Area:

SUMMARY:

This budget amendment reallocates expenditures originally budgeted in a prior year but incurred in the current year, unspent FY2024 street maintenance funds to the Capital Projects Fund Street Maintenance Project, allocates previously approved ARPA funds within the Grant Fund, increases the FY2025 budget for the Heart of the Hills Heritage Center (HHHC) to reflect actual project costs, and makes other adjustments as outlined within the attachment. The HHHC budget adjustment is due to project timing and does not alter the total approved project budget.

On May 13, 2025, City Council unanimously approved Ordinance No. 2025-12 on first reading.

RECOMMENDED ACTION:

Approve Ordinance No. 2025-12 on second reading.

**CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2025-12**

AN ORDINANCE AMENDING THE CITY'S FISCAL YEAR 2025 BUDGET BY REALLOCATING FUNDS FROM THE CITY'S FISCAL YEAR 2024 BUDGET; TRANSFERRING FUNDS FROM THE FISCAL YEAR 2024 STREET MAINTENANCE FUND TO THE CAPITAL PROJECTS FUND; ACCOUNTING FOR PREVIOUSLY RECEIVED AMERICAN RESCUE PLAN ACT GRANT FUNDS; AND MAKING OTHER AMENDMENTS AS PROVIDED

WHEREAS, Ordinance No. 2024-24, as approved by City Council upon second reading on September 24, 2024, adopted the Fiscal Year 2025 (FY25) Budget for the City of Kerrville, Texas (City); and

WHEREAS, within the Fiscal Year 2024 (FY24) Budget, funding for several capital items though encumbered were not expended as those items were not received by the City within that budget year; and

WHEREAS, in addition, work on several street maintenance projects, which were budgeted within the FY24 Budget, extended into FY25, requiring the City to amend the FY25 Budget to match up funding and work; and

WHEREAS, the City previously received grant funding pursuant to the American Rescue Plan Act of 2021 (ARPA) along with the application of a new fee intended to address credit card fees charged to the City, both of which the City now seeks to account for and use; and

WHEREAS, the FY25 Budget included funds for a membrane expansion project at the Water Production Plant, which staff now believes should not proceed based upon costs and other factors; and

WHEREAS, based upon the accelerated construction schedule occurring at the Heart of the Hills Heritage Center, staff requests moving funding into this project which was planned for next year; and

WHEREAS, City Council finds that amending the City's FY25 Budget is in the best interest of the citizens of the City based upon the circumstances specified above;

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

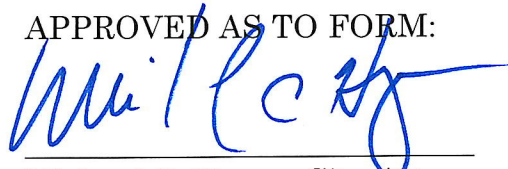
In accordance with Section 8.06 of the City Charter, the Official Budget for Fiscal Year 2025 is amended as set forth in **Attachment A**.

PASSED AND APPROVED ON FIRST READING, this the 13 day of MAY, A.D., 2025.

PASSED AND APPROVED ON SECOND AND FINAL READING, this the ____ day of _____, A.D., 2025.

Joe Herring, Mayor

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney

ATTEST:

Shelley McElhannon, City Secretary

Attachment A
City of Kerrville
FY2025 Budget Amendment
May 13, 2025

Account Name	Account Number	Description	Debit	Credit
General Fund				
Card Processing Fee	01-6915	Increase Card Processing Revenue		36,400
Transfer Out - General Capital Projects	01-0100-9070	FY2024 Street Maintenance Carryover	750,000	
Water Fund				
Card Processing Fee	02-6915	Increase Card Processing Revenue		168,000
Library Memorial				
Buildings and Structures	15-1500-5100	HHHC Project Expenses	2,000,000	
General Fund Asset Replacement				
Vehicles	18-1821-5200	ARPA Budget Clean Up - Ambulance		249,000
Vehicles	18-1821-5200	Asset Replacement Budget Clean Up - Ambulance		78,000
Vehicles	18-1861-5200	Reallocate unspent FY2024 General Fund Asset Replacement Budget for Streets Dump Truck (Ordered in FY24, received in FY25)	135,918	
Water Fund Asset Replacement				
Vehicles	19-1903-5200	Reallocate unspent FY2024 Water Fund Asset Replacement Budget for Water Distribution - International Diesel Crew Cab 2 Ton Truck (Ordered in FY2024 expected to be received in FY2025)	148,899	
Water System	19-1902-5500	Remove FY2025 Budget for Membrane Expansion in Zenon Plant		104,820
Water System	19-1901-5500	Reallocate unspent FY2024 Water Fund Asset Replacement Budget for Utility Billing - Meter Infrastructure (Ordered in FY2024, received in FY2025)	33,679	
Machinery, Tools & Equipment	19-1903-5300	Purchase Case Excavator to replace current excavator (scheduled to be replaced in FY2026);	86,000	
Asset Disposal Proceeds	19-6901	Increase Revenue to account for resale of excavator		17,500
Development Services				
Card Processing Fee	29-6915	Increase Card Processing Revenue		19,600
General Fund Capital Projects				
Transfer In - General Fund	70-7001	FY2024 Street Maintenance Carryover		750,000
Grant Fund				
Professional Services	85-8500-3100	ARPA Budget Clean Up - Financial Budgeting Software	42,500	
Professional Services	85-8500-3100	ARPA Budget Clean Up - Singing Wind Disc Golf Course	50,000	
Vehicles	85-8513-5200	ARPA Budget Clean Up - Vehicle Upfitting	70,118	
Buildings and Structures	85-8521-5100	ARPA Budget Clean Up - Central Fire Station Roof / Awning Repairs	47,554	
Vehicles	85-8521-5200	ARPA Budget Clean Up - Ambulance	249,000	
Vehicles	85-8521-5200	ARPA Budget Clean Up - Fire Command Truck	37,719	



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

CAPTION: Resolution No. 11-2025. A Resolution adopting and authorizing the Mayor to act on behalf of the City with respect to the Kerr County, Texas Multi-jurisdiction Hazard Mitigation Plan. (*E Maloney, Fire Chief*)

AGENDA DATE: May 27, 2025

DATE SUBMITTED: 05/06/2025

SUBMITTED BY:

Eric Maloney, Fire Chief

EXHIBITS:

1. 20250527 Reso 11-2025 Multi-Jurisdiction Hazard Mitigation Plan

Expenditure:

Amount Budgeted:

Account Number:

Account Balance:

**Payment to/Vendor
name:**

Kerrville 2050 Item?

Key Priority Area:

No

SUMMARY:

In April 2024, the City of Kerrville entered into an ILA with Kerr County for participation in the Local Hazard Mitigation Action Plan (HMAP) for Kerr County. We contracted with GrantWorks to update our comprehensive local HMAP at a cost of \$55,000. The City paid \$27,500 cost-share 50/50 with Kerr County. On April 20, 2025, FEMA concluded the review of the plan and requested each agency submit a resolution adopting the plan prior to FEMA's formal approval. This plan is required by FEMA and TDEM to remain eligible for specific hazard mitigation grants over the term of the plan from 2025-2030. The Kerr County Commissioners' Court approved a resolution adopting the HMAP on April 28, 2025.

RECOMMENDED ACTION:

Recommend the adoption of Resolution No. 11-2025.

**CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 11-2025**

**A RESOLUTION ADOPTING AND AUTHORIZING THE MAYOR
TO ACT ON BEHALF OF THE CITY WITH RESPECT TO THE
KERR COUNTY, TEXAS MULTI-JURISDICTION HAZARD
MITIGATION PLAN**

WHEREAS, the City of Kerrville, Texas ("City"), recognizes the threat that natural hazards pose to people and property within the City; and

WHEREAS, the City has participated in preparing the Kerr County, Texas Multi-Jurisdiction Hazard Mitigation Plan ("Plan"), which the Federal Emergency Management Agency ("FEMA") has determined is in accordance with the Disaster Mitigation Act of 2000; and

WHEREAS, the Plan identifies mitigation goals and actions to reduce or eliminate long-term risk to people and property in the City from impacts of future hazards and disasters; and

WHEREAS, FEMA requires City to adopt the Plan; and

WHEREAS, the adoption of the Plan will make the City eligible to apply for current and future Hazard Mitigation Grants through FEMA; and

WHEREAS, Hazard mitigation action plans are required to appoint an official to act as the authorized representative in all matters in connection with their portion of the Plan;

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

SECTION ONE. The City hereby adopts the Kerr County, Texas Multi-Jurisdiction Hazard Mitigation Plan previously approved by FEMA.

SECTION TWO. The City hereby authorizes and directs the Mayor to act as the City's authorized representative in all matters in connection with the City's portion of the Kerr County Multi-Jurisdiction Hazard Mitigation Plan.

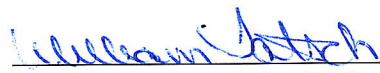
PASSED AND APPROVED this the _____ day of _____,
A.D., 2025.

Joe Herring, Jr., Mayor

ATTEST:

Shelley McElhannon, City Secretary

APPROVED AS TO FORM:



William L. Tatsch, Assistant City Attorney

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

CAPTION: General Contract - Small Project; K&R Heating & Cooling, LLC / City Hall RTU Replacement in the amount of \$54,639.80. (*R Ledesma, Interim Director Parks & Recreation*)

AGENDA DATE: May 27, 2025

DATE SUBMITTED: 05/13/2025

SUBMITTED BY:

EXHIBITS:

1. 20250527 Contract K&R Heating-Cooling for City Hall RTU replacement

Expenditure:	\$54,639.80	Amount Budgeted:
Account Number:	70-700-5100	Account Balance:
Payment to/Vendor name:	K&R Heating & Cooling, LLC	

Kerrville 2050 Item?

Key Priority Area:

SUMMARY:

The current rooftop HVAC units at City Hall have reached the end of their operational life and are no longer functioning efficiently. The aging equipment has led to frequent breakdowns, rising maintenance costs, and inconsistent climate control within the building. This project will be funded using CIP funds designated for facility maintenance.

Bids were solicited, and K&R Heating & Cooling, LLC was selected as the most qualified and cost-effective contractor for the project. The replacement units will meet modern energy efficiency standards, improving system reliability and reducing long-term operating expenses. Staff recommends that the City Council authorize the City Manager to execute a contract with K&R Heating & Cooling, LLC, to replace three rooftop HVAC (RTU) units at City Hall.

RECOMMENDED ACTION:

Authorize the City Manager to finalize and execute contract.

GENERAL CONTRACT - SMALL PROJECT
K&R Heating & Cooling, LLC /
City Hall RTU Replacement

THIS CONTRACT, entered into this ____ day of May, 2025, by and between the **City of Kerrville, Texas**, hereinafter referred to as the "Owner", and **K&R Heating & Cooling, LLC**, with its mailing address being 410 Cotton Gin Lane, Kerrville, Texas 78028, hereinafter referred to as the "Contractor," is made for the following considerations:

1. The Contractor shall perform all work described in the proposal attached hereto as **Exhibit A**, and incorporated herein by reference in accordance with plans and specifications provided to Contractor by City. In the event that the attached proposal fails to provide details related to the work to be performed, the work shall be performed in accordance with the directions of the Owner's Representative **in the amount of \$54,639.80**.
2. Whenever the words "Owner's Representative" or "representative" are used in this contract, it shall be understood as referring to Ethan Mitchell, Interim Assistant Director of Parks and Recreation, or to such other representative, supervisor, or inspector as may be authorized by the Owner to act in any particular capacity under this agreement.
3. Unless otherwise stipulated, the Contractor shall provide and pay for all materials, supplies, machinery, equipment, tools, superintendence, labor, insurance, and all water, light, power, fuel, transportation and all other facilities necessary for the execution and completion of the work covered by the contract documents. Unless otherwise specified, all materials shall be new and both workmanship and materials shall be of a good quality. The Contractor shall, if required, furnish satisfactory evidence as to the kind and quality of materials. Materials or work described in words that so applied have well known, technical or trade meanings shall be held to refer to such recognized standards.
4. The Contractor shall comply with all laws, ordinances, rules and regulations governing the Contractor's performance of the contract.
5. All work shall be done and all materials furnished in strict conformity with the contract.
6. The Owner's Representative:
 - a. may observe the progress and quality of the executed work and to determine, in general, if the work is proceeding in accordance with the contract documents;

- b. will not be required to check the quality or quantity of the work, nor be responsible for the construction means, methods, techniques, sequences or procedures, or the safety precautions incident thereto; and
- c. will not be responsible for the Contractor's failure to perform the work in accordance with the contract.
7. All minor detail of the work not specifically mentioned in the Specifications but obviously necessary for the proper completion of the work, such as the proper connection of new work to old, shall be considered as incidental to and a part of the work for which the prices are named in the contract. The Contractor will not be entitled to any additional compensation therefor unless specifically stated otherwise. Otherwise the term "extra work" as used in this contract shall be understood to mean and include all work that may be required by Owner to be done by the Contractor to accomplish any alteration or addition to the work as shown on the Specifications. It is agreed that the Contractor shall perform all extra work under the direction of the Owner's Representative when presented with a written work order signed by the Owner's Representative, subject, however, to the right of the Contractor to require written confirmation of such extra work order by the Owner. Payment for extra work shall be as agreed in the work order.
8. The Contractor shall at all times exercise reasonable precaution for the safety of employees and others on or near the work and shall comply with all applicable provisions of federal, state and municipal laws and building codes.
9. **THE CONTRACTOR AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF KERRVILLE, TEXAS AND ALL OF ITS OFFICERS, AGENTS AND EMPLOYEES FROM ALL SUITS, ACTIONS, CLAIMS, DAMAGES, PERSONAL INJURIES, LOSSES, PROPERTY DAMAGES, AND EXPENSES OF ANY CHARACTER WHATSOEVER, INCLUDING ATTORNEY'S FEES, BROUGHT FOR OR ON ACCOUNT OF ANY INJURIES OR DAMAGES RECEIVED OR SUSTAINED BY ANY PERSON OR PROPERTY ON ACCOUNT OF ANY NEGLIGENT ACT OR OMISSION OF THE CONTRACTOR OR ANY OF CONTRACTOR'S OFFICERS, EMPLOYEES, AGENTS, REPRESENTATIVES, OR SUBCONTRACTORS IN THE EXECUTION, SUPERVISION, AND OPERATIONS GROWING OUT OF OR IN ANY WAY CONNECTED WITH THEIR PERFORMANCE OF THIS AGREEMENT.**
10. **CONTRACTOR AGREES THAT IT WILL INDEMNIFY AND SAVE THE OWNER HARMLESS FROM ALL CLAIMS GROWING OUT OF ANY DEMANDS OF SUBCONTRACTORS, LABORERS, WORKMEN, MECHANICS, MATERIALMEN, AND SUPPLIERS OF MACHINERY AND PARTS THEREOF, EQUIPMENT, POWER TOOLS, AND ALL**

SUPPLIES INCURRED IN THE FURTHERANCE OF THE PERFORMANCE OF THIS CONTRACT. When Owner so requests, Contractor shall furnish satisfactory evidence that all obligations of the nature hereinabove designated have been paid, discharged or waived.

11. Contractor shall carry insurance in the following types and amounts for the duration of this Contract and furnish copies of policy declaration pages and all policy forms and endorsements as evidence thereof to Owner:
 - a. To the extent required by Texas Labor Code §406.096, certify to the Owner that Contractor has in effect workers' compensation insurance to cover Contractor's employees. Contract shall also require subcontractors and independent contractors working under the direction of the Contractor or a subcontractor to carry and maintain the same workers compensation and liability insurance required of Contractor.
 - b. Commercial General Liability Insurance with a minimum bodily injury and property damage per occurrence limit of \$1,000,000 combined single limit, per occurrence, and \$2,000,000 aggregate. The policy must provide contractual liability coverage for liability assumed under this contract, products and completed operations coverage, independent contractor's coverage, and a waiver of a Transfer of Right of Recovery Against Others in favor of the Owner.
 - c. Automobile Liability Insurance with either a combined limit of \$1,000,000 per occurrence for bodily injury and property damage or split limits of \$1,000,000 for bodily injury per person per occurrence and \$1,000,000 for property damage per occurrence. Coverage must include all owned, hired, and non-owned motor vehicles used in the performance of this Agreement by Contractor or its employees.

The insurance required by this Agreement must be written by non-assessable insurance company licensed to do business in the State of Texas and currently rated "B" or better by the A.M. Best Companies. All policies must be written on a "per occurrence basis" and not a "claims made" form.

Contractor shall not commence work under this Contract until it has obtained all required insurance. Contractor shall not cause any insurance to be canceled or permit any insurance to lapse during the term of this Agreement or the six-month period following completion, in the case of a claims-made policy. All certificates shall include a clause to the effect that the policy may not be canceled, reduced, restricted, or limited until thirty (30) calendar days after Owner has received written notice of such cancellation or change.

12. Contractor shall promptly remove from Owner's premises all materials condemned by the Owner's Representative on account of failure to conform to

the contract, whether actually incorporated in the work or not, and Contractor shall at its own expense promptly replace such condemned materials with other materials conforming to the requirements of the contract. Contractor shall also bear the expense of restoring all materials damaged by any such removal or replacement. If Contractor does not remove and replace any such condemned materials within a reasonable time after a written notice by the Owner, Owner may remove and replace it at Contractor's expense.

13. Neither the final payment nor any provision in this contract shall relieve the Contractor of responsibility for faulty materials or workmanship, and he shall remedy any defects due thereto and pay for any damage to other work resulting therefrom, which shall appear within a period of one (1) year from the date of substantial completion. The Owner shall give notice of observed defects with reasonable promptness.
14. The Owner may, on account of subsequently discovered evidence, withhold the whole or part of any payment to such extent as may be necessary to protect itself from loss on account of:
 - a. Defective work not remedied.
 - b. Claims filed or reasonable evidence indicating possible filing of claims.
 - c. Failure of the Contractor to make payments promptly to subcontractors or for material or labor which the Owner may pay as an agent for the Contractor.
 - d. Damages to another contractor or subcontractor.

When the above grounds are removed, or the Contractor provides a surety bond satisfactory to the Owner, which will protect the Owner in the amount withheld because of them, payment will be issued subject to paragraph number 16.

15. This contract may not be assigned in any way without the specific, written consent of the Owner.
16. After all work is completed by the Contractor, and the Owner has inspected and approved that work, the Owner shall not later than thirty (30) days thereafter issue payment to the Contractor the amount due under the contract. The Owner shall be the final judge of when work is completed by the Contractor. The Owner shall not make periodic payments to the Contractor, but shall make payment pursuant to this paragraph only after all work is completed by the Contractor.

17. This Contract shall be governed by and construed in accordance with the Laws of the State of Texas. Venue for any suits arising from or related to this contract shall be in Kerr County, Texas.
18. In the event of conflict between the provisions of any attachments or exhibits to this Contract and the provisions of this Contract, the provisions of this Contract shall prevail.
19. Each person signing below represents that he or she is duly authorized to execute this Agreement on behalf of the party indicated below by his or her name and agrees on behalf of such party that such party will be bound by the terms of this Agreement.
20. Prohibition Against Boycotting Israel. Contractor hereby verifies the following per Section 2270.02, Texas Government Code:
 1. Contractor does not boycott Israel; and
 2. Contractor will not boycott Israel during the term of the Agreement.
21. Prohibition Against Business with Iran, Sudan, or Foreign Terrorist Organization. Contractor warrants, covenants, and represents that Contractor is not engaged in business with Iran, Sudan, or any company identified on the list referenced in Section 2252.152, Texas Government Code.
22. Prohibition on Contracts with Companies Boycotting Energy Companies. Contractor hereby verifies the following per Section 2274.002, Texas Government Code:
 1. Contractor does not boycott energy companies; and
 2. Contractor will not boycott energy companies during the term of the Agreement.
23. Written Verification as to Firearm Entities. Contractor hereby verifies the following per Section 2274.002, Texas Government Code:
 1. Contractor does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and
 2. Contractor will not discriminate against a firearm entity or firearm trade association during the term of the Agreement.

OWNER: City of Kerrville, Texas

CONTRACTOR: K&R Heating & Cooling, LLC

By: _____
Dalton Rice, City Manager

By: _____
Regan Land, Member

Kyler Hunger, Member

ATTEST:

APPROVED AS TO FUNDING

Shelley McElhannon, City Secretary

Julie Behrens, Director of Finance

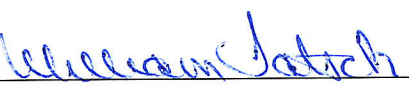
APPROVED AS TO INSURANCE:

APPROVED AS TO CONTENT:

Kimberly Meisner
Assistant City Manager

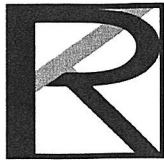
Rosa Ledesma
Interim Director of Parks and Recreation

APPROVED AS TO FORM:



William L. Tatsch
Assistant City Attorney

T:\Legal\PARKS & RECREATION\Contract\Small Projects\Small Project Contract_K&R Heating & Cooling_050725 (Draft).docx



K&R HEATING & COOLING

P: 830.792.3993

www.KandRvac.com
info@KandRvac.com

410 Cotton Gin Lane
Kerrville, TX 78028

EXHIBIT A

Supreme Comfort. Superior Service. Guaranteed.

Project Summary

Project Name: Kerrville City Hall RTU Replacement R1
Prepared By: Regan Land
Project Date: April 7, 2025
Project Comments: Proposal for RTU replacement
Client Name: City of Kerrville - City Hall
Jobsite Address: 701 Main Street
Jobsite City, State, Zip: Kerrville TX, 78028

North Side (Admin Offices):

Details: The following proposal includes the replacement of the 10-ton electric/electric RTU that services the Admin Offices. Price includes a new Carrier RTU, 16kw electric heat kit, hail guards, manual outdoor air hood and damper, crane fee, and all other necessary labor and materials needed to complete this update.

\$20,024.11

South Side (Either RTU):

Details: The following proposal includes the replacement of either of the 8.5-ton electric/electric RTUs on the south side roof. Price includes a new Bryant RTU, 16kw electric heat kit, hail guards, manual outdoor air hood and damper, crane fee, and all other necessary labor and materials needed to complete this update.

\$19,683.38

Notes:

1. If both systems are replaced at the same time, we can offer a 5% discount. Total will be \$37,722.11.
2. If all three RTUs are replaced at the same time, we can offer an 8% discount. Total for all three will be \$54,639.60.

ACCEPTANCE OF PROPOSAL

By signing this proposal, I agree to be bound by the following terms in consideration of the services and materials to be provided by K&R Heating and Cooling:

1. I agree that the price, specifications, and conditions recited in the proposal are satisfactory and hereby accepted.
2. I agree to pay the amount specified above upon receipt of an invoice.
3. I agree to pay a late fee equal to 5% of any balance remaining unpaid 30 days after the date of the invoice. I agree to pay a late fee of 10% of any remaining amount due every 30 days thereafter.
4. I agree to pay reasonable attorney's fees, expenses, and court costs should I default in making full payment thereby requiring legal action to be pursued by K&R Heating & Cooling to collect any unpaid balance.
5. I agree that these are the complete terms and no oral representations shall be binding.

I authorize K&R Heating & Cooling to do the work outlined in the proposal for the price specified.

Signature: _____

Date: _____





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

CAPTION: First Amendment to Project Funding Agreement between the Economic Improvement Corporation (EIC) and the City for Improvements Made to the City's Olympic Pool. (*R Ledesma, Interim Director Parks & Recreation*)

AGENDA DATE: May 27, 2025

DATE SUBMITTED: 05/14/2025

SUBMITTED BY:

Rosa Ledesma, Assistant Director of Parks & Recreation

EXHIBITS:

1. Amendment to EIC agreement Olympic Pool 5-19-2025

Expenditure: \$7,750,000

Amount Budgeted: \$7,000,000

Account Number: 70-24006

Account Balance:

**Payment to/Vendor
name:**

Kerrville 2050 Item?

Key Priority Area:

P – Parks/Open Space/River Corridor

SUMMARY:

Staff recommends that City Council authorize an amendment to the existing funding agreement for the Olympic Pool improvement project, increasing the total funding amount to \$7.75 million. This amendment is necessary due to higher-than-anticipated construction bids received during the initial bidding process. The proposed funding increase will be covered by reallocating savings from other EIC-funded capital improvement projects, specifically the Cailloux Theater and Scott Schreiner Golf Course improvement projects.

The project was previously advertised for bids, and only two contractors submitted proposals, significantly exceeding the approved project budget. The City and Marmon Mok, the contracted architecture design firm, initiated a value engineering (VE) process with the lowest bidder to reduce costs while maintaining essential project components. Despite collaborative efforts, the VE process did not yield sufficient cost reductions. As a result, all bids were formally rejected at the City Council meeting on May 13, 2025.

The project has been reissued under a competitive sealed proposal process. This process allows the City to evaluate pricing, qualifications, project approach, and

proposed schedule, providing greater flexibility in selecting the best-value contractor. Proposals are due on May 28, 2025.

Although VE options have been incorporated into the reissued solicitation, staff anticipate that the project may come in over budget due to current market conditions. While final pricing will be confirmed after proposals are received, this funding amendment is being proposed to prepare for a potential cost overage. By doing so, the City and EIC can hopefully avoid the need for a second contract amendment and prevent delays to the project timeline. EIC approved the amendment at their last meeting on May 19, 2025.

RECOMMENDED ACTION:

Authorize the City Manager to amend and execute contract.

**FIRST AMENDMENT TO PROJECT FUNDING AGREEMENT
BETWEEN THE CITY OF KERRVILLE, TEXAS, ECONOMIC
IMPROVEMENT CORPORATION AND THE CITY OF
KERRVILLE, TEXAS FOR IMPROVEMENTS MADE TO THE
CITY'S OLYMPIC POOL**

THIS FIRST AMENDMENT TO PROJECT FUNDING AGREEMENT is entered into this ____ day of _____, 2025, by and between the City of Kerrville, Texas, Economic Improvement Corporation ("EIC"), a Texas non-profit corporation under Section 4B of Tex. Rev. Civ. Stat. Art. 5190.6 and now codified in Chapters 501, 502, and 505 of the Texas Local Government Code (otherwise known as the Development Corporation Act of 1979); and the City of Kerrville, Texas ("City"), a Texas home-rule municipality.

WITNESSETH:

WHEREAS, on March 26, 2024, the EIC and City entered into an agreement titled *Project Funding Agreement between the City of Kerrville, Texas, Economic Improvement Corporation and the City of Kerrville, Texas for Improvements Made to the City's Olympic Pool* (hereafter "the Funding Agreement") in which the EIC agreed to provide to City an amount up to and not to exceed \$7,000,000.00 in EIC's sales tax revenues to be used to pay for costs to design, renovate, and reconstruct the City's Olympic Pool, as more specifically defined in the Funding Agreement; and

WHEREAS, based upon increased costs, the City has asked to amend the Funding Agreement to increase the amount of EIC's funding from \$7,000,000.00 to \$7,750,000.00;

NOW THEREFORE, for and in consideration of the recitals set forth above and the promises made herein, EIC and City agree as follows:

1. Section 2 of the Funding Agreement is amended to add the language that is underlined (added) and to delete the language that is stricken (~~deleted~~) as follows:

"2. Agreement to Fund Project: EIC agrees to provide City an amount up to and not to exceed \$7,750,000.00 ~~\$7,000,000.00~~ in 4B Revenues for the Project."

2. Except as amended by this First Amendment, the provisions of the Funding Agreement remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment in the year and as of the last date for signature as indicated below.

CITY OF KERRVILLE, TEXAS

Joe Herring, Jr., Mayor

Date: _____

ATTEST:

Shelley McElhannon, City Secretary

APPROVED AS TO FORM:

Signed by:
Michael C. Hayes
9CAD2650E13A451
Michael C. Hayes, Attorney for the EIC

CITY OF KERRVILLE, TEXAS ECONOMIC
IMPROVEMENT CORPORATION

DocuSigned by:
Kim Clarkson
DFFA564064BC4D5...
Kim Clarkson, President

Date: 5/20/2025

ATTEST:

Signed by:
Kesha Franchina
27F430EC027A4EB...
Kesha Franchina, Secretary for the EIC



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

CAPTION: Request Purchase of Zenon Water Plant Strainers. Budgeted Item. (*D Barrera, Director of Utilities*)

AGENDA DATE: May 27, 2025

DATE SUBMITTED: 05/08/2025

SUBMITTED BY:

David Barrera, Director of Utilities

EXHIBITS:

1. 20250527_Fluid Engineering Quote

Expenditure: \$68,352.00

Amount Budgeted: \$63,894.00

Account Number: 19-1902-5500

Account Balance: \$168,714.00

**Payment to/Vendor
name:**

Kerrville 2050 Item?

Yes

Key Priority Area:

W – Water/Wastewater/Drainage

SUMMARY:

Membrane strainers serve as a crucial pre-filter in the Veolia membrane plant, effectively removing larger particles and suspended solids to prolong the lifespan of the membranes. However, the current strainers are nearing the end of their service life and are due for replacement to maintain optimal plant performance. This item is budgeted in the FY2025 budget and is being presented to Council for consideration because the expenditure exceeds \$50,000.00. In accordance with purchasing compliance, 3 bids were obtained. The quote from Fluid Engineering provided the lowest price.

RECOMMENDED ACTION:

Authorize staff to purchase



A Division of TM Industrial Supply, Inc.
1432 Walnut Street * Erie, Pennsylvania 16502 USA
Phone (814) 453-5014 * Fax (814) 452-6573
http://www.fluideng.com * Email: sales@fluideng.com

Cust NO: 4623

CITY OF KERRVILLE
701 MAIN STREET
KERRVILLE, TX 78028-5301
USA

ATTN: KEITH SCHROEDER
Project Reference: CU03925\SERIAL #4069

Quote NO: QT34816

Page: 1 of 4

Date Quoted: **5/7/2025**

FE - John Burrs

Sales Rep: SPARKLING CLEAR IND.

Estimated Leadtime: 10-12 WEEKS ARO OR
AFTER DRAWING APPROVAL IF REQUIRED

Shipment Terms: FOB TM SHIPPING DOCK

Payment Terms: NET 30 DAYS

Quote Expires: **06/07/2025**

LINE#	FE PART ID	FE PART DESCRIPTION	QTY	UNIT PRICE	AMOUNT
1)	751-08008-0236-ES162		2.00	\$34,176.00	\$68,352.00
		FLUID ENGINEERING SERIES 751 ELIMINATOR® SELF-CLEANING STRAINER			
		HOUSING MATERIAL: A126 GRADE B CAST IRON			
		BACKWASH ASSY: STAINLESS STEEL			
		O-RING MATERIAL: BUNA-N			
		COATING/LINING: INTERNAL/EXTERNAL EPOXY PER ES-162			
		INLET/OUTLET CONN: 8"-125# FF FLANGED			
		BACKWASH CONN: 1-1/2" NPT			
		DRAIN CONN: 1" NPT			
		VENT CONN: 1/4" NPT			
		INST CONN (2): 1/4" NPT			
		DESIGN: 150 PSIG @ 150°F			
2)	256793080204022		2.00	\$0.00	\$0.00
		SCREEN ASSEMBLY FOR SELF-CLEANING STRAINER			
		FITS 8"/10" SERIES 700 FLUID ENGINEERING STRAINER			
		0.020" (500 MICRON) SLOTTED REVERSE-ROLLED WEDGE-WIRE CONSTRUCTION			
		316L STAINLESS STEEL			
3)	949-10-3544		2.00	\$0.00	\$0.00
		1/4 HP ELECTRIC MOTOR			
		115/208-230 VOLT 1PH 60HZ			
		TEFC ENCLOSURE			
		CLASS B INSULATION			



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ATTN: KEITH SCHROEDER
Project Reference: CU03925\SERIAL #4069

Quote NO: QT34816

Page: 2 of 4

Date Quoted: **5/7/2025**

FE - John Burrs

Sales Rep: SPARKLING CLEAR IND.

Estimated Leadtime: 10-12 WEEKS ARO OR
AFTER DRAWING APPROVAL IF REQUIRED

Shipment Terms: FOB TM SHIPPING DOCK

Payment Terms: NET 30 DAYS

Quote Expires: **06/07/2025**

LINE#	FE PART ID	FE PART DESCRIPTION	QTY	UNIT PRICE	AMOUNT
4)	881-10-3754	CONTROL PANEL WORKS WITH FLUID ENGINEERING HYPER-JET® SELF-CLEANING STRAINER ELECTRICAL REQUIREMENTS: 120 VOLT SINGLE PHASE 60HZ NEMA 4 STEEL (PAINTED) ENCLOSURE OFF - MANUAL- AUTO SELECTOR SWITCH ADJUSTABLE TIMERS TO CONTROL STRAINER BACKWASHING INDICATING LIGHTS FOR - POWER - BACKWASHING - HIGH DP DRY CONTACTS TO MONITOR BACKWASHING, HIGH DP, AND MOTOR OVERLOAD	2.00	\$0.00	\$0.00
5)	883-10-7729-150	1-1/2" BALL VALVE WITH ELECTRIC ACTUATOR CF8M (316 SS) VALVE BODY FNPT CONNECTIONS 316 SS BALL AND STEM RTFE SEAT AND SEALS FULL PORT DESIGN 115 VOLT 50-60 HZ ELECTRIC VALVE ACTUATOR CAST ALUMINUM ANODIZED/POWDER-COATED HOUSING WATER-TIGHT NEMA 4X RATED ENCLOSURE	2.00	\$0.00	\$0.00
6)	883-10-7729-100	1" BALL VALVE WITH ELECTRIC ACTUATOR CF8M (316 SS) VALVE BODY FNPT CONNECTIONS 316 SS BALL AND STEM RTFE SEAT AND SEALS FULL PORT DESIGN 115 VOLT 50-60 HZ ELECTRIC VALVE ACTUATOR CAST ALUMINUM ANODIZED/POWDER-COATED HOUSING WATER-TIGHT NEMA 4X RATED ENCLOSURE	2.00	\$0.00	\$0.00



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CITY OF KERRVILLE
701 MAIN STREET
KERRVILLE, TX 78028-5301
USA

ATTN: KEITH SCHROEDER
Project Reference: CU03925\SERIAL #4069

Quote NO: QT34816

Page: 3 of 4

Date Quoted: 5/7/2025

FE - John Burrs

Sales Rep: SPARKLING CLEAR IND.

Estimated Leadtime: 10-12 WEEKS ARO OR
AFTER DRAWING APPROVAL IF REQUIRED

Shipment Terms: FOB TM SHIPPING DOCK

Payment Terms: NET 30 DAYS

Quote Expires: 06/07/2025

LINE#	FE PART ID	FE PART DESCRIPTION	QTY	UNIT PRICE	AMOUNT
7)	881-10-1412-020		2.00	\$0.00	\$0.00
		DIFFERENTIAL PRESSURE SWITCH			
		1/4" FNPT HIGH/LOW INLET CONNECTIONS			
		FACTORY SET AT 2 PSID SETPOINT (FIELD ADJUSTABLE)			
		BRASS WETTED PARTS			
8)	945-10-10538A		4.00	\$0.00	\$0.00
		0-160 PSI PRESSURE GAUGE			
		316 STAINLESS STEEL			
		2-1/2" DIAMETER GAUGE DIAL			
		1/4" MNPT BOTTOM MOUNT			

\$68,352.00

-SALES AND USE TAX EXEMPTION:

IF APPLICABLE, A SALES AND USE TAX EXEMPTION CERTIFICATE FOR ALL LOCAL, COUNTY, AND STATE REGULATIONS MUST ACCOMPANY A PURCHASE ORDER FOR THE PRODUCTS LISTED IN THIS QUOTATION. IF THERE IS ANY CHANGE TO THE EXEMPTION STATUS OR A MISCALCULATION OF TAXES DUE, IT IS THE RESPONSIBILITY OF THE BUYER TO CONTACT TM INDUSTRIAL SUPPLY, INC (FLUID ENGINEERING). ANY MISREPRESENTATION OF EXEMPTION STATUS MAY INCLUDE SALES TAX BEING OWED TO SURROUNDING GOVERNMENT AGENCIES AND IS NOT THE RESPONSIBILITY OF TM INDUSTRIAL SUPPLY OR ITS SUBSIDIARIES.

-DESTINATION CONTROL:

THESE COMMODITIES, TECHNOLOGY, OR SOFTWARE ARE OFFERED FOR SALE AND SHIPMENT FROM THE UNITED STATES IN ACCORDANCE WITH U.S. EXPORT ADMINISTRATION REGULATIONS. DIVERSION CONTRARY TO U.S. LAW IS PROHIBITED.

UNLESS OTHERWISE STATED IN THIS QUOTATION- TM INDUSTRIAL SUPPLY INC.'S STANDARD TERMS AND CONDITIONS OF SALE (TM-GCOS-3) CONTROL. GO TO WWW.FLUIDENG.COM FOR FULL TERMS AND CONDITIONS DETAILS.



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1432 Walnut Street * Erie, Pennsylvania 16502 USA
Phone (814) 453-5014 * Fax (814) 452-6573
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CITY OF KERRVILLE
701 MAIN STREET
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ATTN: KEITH SCHROEDER
Project Reference: CU03925\SERIAL #4069

Quote NO: QT34816

Page: 4 of 4

Date Quoted: **5/7/2025**

FE - John Burrs

Sales Rep: SPARKLING CLEAR IND.

Estimated Leadtime: 10-12 WEEKS ARO OR
AFTER DRAWING APPROVAL IF REQUIRED

Shipment Terms: FOB TM SHIPPING DOCK

Payment Terms: NET 30 DAYS

Quote Expires: **06/07/2025**

LINE#	FE PART ID	FE PART DESCRIPTION	QTY	UNIT PRICE	AMOUNT
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Due to the ongoing market volatility for iron, steel, and other raw materials, TM Industrial Supply, Inc reserves the right to confirm and modify our final price for goods prior to accepting any Purchase Order received against this quotation, even if the Purchase Order is received within the stated validity window specified on the quotation. We appreciate your understanding and continued partnership as we navigate these challenging market conditions.

***4% Credit Card Processing Fee will be assessed when paying with a credit card.*



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

CAPTION: City Council workshop minutes May 13, 2025. (*S McElhannon, City Secretary*)

AGENDA DATE: May 27, 2025

DATE SUBMITTED: 02/24/2025

SUBMITTED BY:

Shelley McElhannon, City Secretary

EXHIBITS:

1. 20250527 Minutes CC Special Meeting Canvass minutes 5-13-25

Expenditure:

Account Number:

**Payment to/Vendor
name:**

Amount Budgeted:

Account Balance:

Kerrville 2050 Item?

No

Key Priority Area:

SUMMARY:

May 13, 2025, 4:00 pm, City Council workshop minutes.

RECOMMENDED ACTION:

Approve minutes as presented.

**CITY COUNCIL SPECIAL MEETING MINUTES
MAY 13, 2025 5:00 PM**

**KERRVILLE, TEXAS
ARCADIA THEATER, 717 WATER STREET**

CALL TO ORDER: On May 13, 2025 at 5:00 PM, Mayor Joe Herring, Jr. called the Kerrville City Council Special Meeting to order at Arcadia Theater, 717 Water Street, Kerrville, Texas.

COUNCILMEMBERS PRESENT:

Mayor Joe Herring, Jr.
Councilmember Delayne Sigerman
Councilmember Jeff Harris
Councilmember Kent McKinney
Mayor Pro-Tem Brenda Hughes

COUNCILMEMBERS ABSENT:

None

CITY EXECUTIVE STAFF:

Dalton Rice, City Manager
Mike Hayes, City Attorney
Shelley McElhannon, City Secretary

Michael Hornes, Asst City Manager
Kim Meisner, Asst City Manager

VISITORS PRESENT:

The Honorable Stephen B. Ables, Presiding Judge of the 6th Judicial Region.

1. SWORN STATEMENTS AND OATHS OF OFFICE, GIVEN BY THE HONORABLE STEPHEN B. ABLES, PRESIDING JUDGE 6TH ADMINISTRATIVE JUDICIAL REGION.

The Honorable Stephen B. Ables, presiding Judge of the 6th Administrative Judicial Region, administered the Oaths of Office to Unopposed incumbent Councilmember Place 1 Delayne Sigerman and unopposed incumbent Councilmember Place 2 Jeff Harris.

2. CERTIFICATES OF ELECTION, SIGNED AND ISSUED BY MAYOR HERRING.

Mayor Herring signed and issued the Certificates of Election to Councilmember Place 1 Delayne Sigerman and Councilmember Place 2 Jeff Harris.

3. STATEMENTS BY OFFICIAL COUNCILMEMBERS.

Councilmember Place 1 Delayne Sigerman and Councilmember Place 2 Jeff Harris spoke.

ADJOURN. The meeting adjourned at 5:18 p.m.

APPROVED BY COUNCIL: _____

Joe Herring Jr., Mayor

Shelley McElhannon, City Secretary



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

CAPTION: City Council meeting minutes May 13, 2025. (*S McElhannon, City Secretary*)

AGENDA DATE: May 27, 2025

DATE SUBMITTED: 02/24/2025

SUBMITTED BY:

Shelley McElhannon, City Secretary

EXHIBITS:

1. 20250527 Minutes CC meeting 5-13-25

Expenditure:

Amount Budgeted:

Account Number:

Account Balance:

**Payment to/Vendor
name:**

Kerrville 2050 Item?

Key Priority Area:

No

SUMMARY:

May 13, 2025, 6:00 pm, City Council meeting minutes.

RECOMMENDED ACTION:

Approve minutes as presented.

**CITY COUNCIL MEETING MINUTES
MAY 13, 2025 6:00 PM**

**KERRVILLE, TEXAS
ARCADIA THEATER, 717 WATER STREET**

On May 13, 2025 at 6:00 PM, Mayor Joe Herring, Jr. called the Kerrville City Council meeting to order at the Arcadia Theater, 717 Water 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
Mayor Pro-Tem Brenda Hughes

COUNCILMEMBERS ABSENT:

None

CITY EXECUTIVE STAFF:

Dalton Rice, City Manager
Mike Hayes, City Attorney
Michael Hornes, Asst City Manager
Kim Meisner, Asst City Manager
Shelley McElhannon, City Secretary
Julie Behrens, Director of Finance
Stephen Boyd, Asst Fire Chief

Stuart Cunyus, Public Information Officer
Rosa Ledesma, Interim Asst Dir Parks & Rec
Chris McCall, Police Chief
Drew Paxton, Director of Planning
Trina Sanchez, Asst Director of Development
William Tatsch, Asst City Attorney

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.

Lucy Pearson, Presiding Judge Municipal Court
Major Jeremiah Romack with the Salvation Army

1. **ANNOUNCEMENTS OF COMMUNITY INTEREST:**

Information and announcements provided by Stuart Cunyus, Councilmember Delayne Sigerman, and Councilmember Jeff Harris.

2. **PRESENTATIONS:**

2.A Proclamation recognizing May 18-24, 2025 as Emergency Medical Services Week in Kerrville, Texas.

Mayor Herring recognized the week of May 18 through May 24, 2025 as Emergency Medical Services Week in Kerrville, Texas. Assistant Fire Chief Stephen Boyd and Kerrville Fire Department personnel received the proclamation.

2.B Recognition of Teen Court Volunteers.

Mayor Herring, William Tatsch, and The Honorable Lucy Pearson recognized and commended participants of the first Teen Court volunteers: Noelle Agulto, Azure Anderson, Brody Butler, Emma Clayton, Mason Cummings, Matthew Czerwinski, Julian Duarte, Bella Flores, Hattie Gilbreath, Enzo Gomez, Sloane Hendricks, Anna Henson, Hinley Immel, William Jackson, Justin Khamsiry, Mallory Marlowe, Sean O'Fiel, Clair Pogue, Jackson Rivenburgh, Riley Russ, William Russ, Isabel Sanchez, Kyle Schroeder, Lily Segura, Maya Sosa, Annabelle Stebbins, William Sumner, and Jakob Wyman.

2.C Proclamation: National Salvation Army Week May 12 - May 18, 2025.

Mayor Herring recognized the week of May 12 through May 18, 2025 as National Salvation Army Week in Kerrville, Texas. Major Jeremiah Romack with the Salvation Army, Kerrville Kroc Corps Community received the proclamation.

2.D Proclamation: Williams Syndrome Awareness Month.

Mayor Herring recognized the month of May 2025 as Williams Syndrome Awareness month. The proclamation was received by Lora Walters.

2.E Proclamation: recognizing May as Building Safety Month.

Mayor Herring recognized the month of May as Building Safety month. The Director of Planning and Development Drew Paxton and Assistant Director of Development Services Trina Sanchez received the proclamation.

3. **VISITORS/CITIZENS FORUM:**

The following person(s) spoke:

Harold Buell

Angela Kennedy

4. **CONSENT AGENDA:**

Councilmember Sigerman made a motion to approve the Consent Agenda as presented, seconded by Councilmember Kent McKinney. The motion passed 5-0.

4.A Interlocal Agreement between the County of Kerr and the City of Kerrville, Texas (for) Providing for the Housing of City Prisoners (jail services).

4.B City Council workshop minutes April 22, 2025.

4.C City Council meeting minutes April 22, 2025.

5. **ORDINANCES, FIRST READING:**

5.A Ordinance No. 2025-12. An Ordinance amending the City's Fiscal Year 2025 Budget by reallocating funds from the City's Fiscal Year 2024 Budget; transferring funds from the Fiscal Year 2024 Street Maintenance Fund to the Capital Projects Fund; accounting for previously received American Rescue Plan Act Grant Funds; and making other amendments as provided.

Shelley McElhannon read Ordinance No. 2025-12 caption into record.

Julie Behrens provided information and responded to questions.

Councilmember Brenda Hughes made a motion to approve Ordinance No. 2025-12 on first reading, seconded by Councilmember McKinney. The motion passed 5-0.

6. **CONSIDERATION AND POSSIBLE ACTION:**

6.A Resolution No. 10-2025. A Resolution accepting the petition for and calling a public hearing on the advisability of the public improvements and creation of Whiskey Springs Public Improvement District within the City of Kerrville, Texas, pursuant to Chapter 372, Texas Local Government Code; authorizing the mailing and publication of notice of the public hearing related thereto; and resolving other matters in connection therewith.

Michael Hornes, Dalton Rice, and developer Jim Bowden provided information and responded to questions.

Councilmember Sigerman made a motion to approve Resolution No. 10-2025, seconded by Councilmember Harris. The motion passed 5-0.

6.B Master Lease Agreement with First Citizens Bank for the lease of 56 golf carts for use at the Scott Schreiner Municipal Golf Course.

Rosa Ledesma and Mike Hayes provided information and responded to questions.

Councilmember Harris made a motion to authorize the City Manager to finalize and execute a contract for the 56 golf carts for the Golf Course, seconded by Councilmember McKinney. The motion passed 5-0.

6.C Rejection of all bids submitted on April 17, 2025 for the construction of the Kerrville Olympic Pool Renovation & Expansion project.

Michael Hornes provided information and responded to questions.

Councilmember McKinney made a motion to reject all the bids submitted earlier, seconded by Councilmember Hughes. The motion was approved 5-0.

6.D Economic Development Agreement between the City of Kerrville and River Hills LLC.

Michael Hornes, Mike Hayes, and Dalton Rice provided information and responded to questions. The following person spoke:
George Baroody

Councilmember Sigerman made a motion to approve an Economic Development Agreement with River Hills LLC (the owners of the mall), seconded by Councilmember Harris. The motion was approved 5-0.

6.E Public "Work for Hire" Art Agreement between the City of Kerrville and Venable Sculpture, for two bronze statues to be created and installed at the City's Public Safety Facility as part of its Guardian Plaza.

Julie Behrens provided information and responded to questions.
Layng Guerriero spoke, and introduced artist Seth Venable who provided information.

Councilmember Harris made a motion to authorize the City Manager to finalize and execute an agreement with Venable Sculpture upon proof of available funds, seconded by Councilmember Hughes. Motion was approved 5-0.

6.F Request to convey a .183 acre strip of property (fee simple) located behind 1015 Sidney Baker S to an adjacent property owner.

Michael Hayes provided information and responded to questions.
The following person spoke:
George Baroody
Michael Hayes and Dalton Rice provided clarification.

Councilmember Hughes made a motion to approve the City Manager's execution of a deed without warrant for a strip of land located behind the property addressed as 1015 Sidney Baker South, seconded by Councilmember Sigerman. Motion approved 5-0.

7. **BOARD APPOINTMENTS:**

7.A Appoint Mayor Pro Tem. (Eligible for Executive Session 551.074.)

Councilmember Harris made a motion to appoint Councilmember Hughes as Mayor Pro Tem, seconded by Councilmember Sigerman. The motion was approved 5-0.

8. **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 reserves the right to meet in executive session on the following issues:

Councilmember McKinney made a motion to convene closed Executive Session under 551.071 (consultation with attorney), and 551.072 (deliberation regarding real property), seconded by Councilmember Hughes. Motion approved 5-0, and at 7:54 p.m., City Council recessed into closed Executive Session.

8.A Appoint Mayor Pro Tem. (551.074.) (Item was not discussed in Executive Session.)

8.B Matters relating to Dark Sky Estates, LLC and the Kerrville-Kerr County Airport. (551.071, 551.072)

At 8:17 p.m. City Council adjourned Executive Session, and reconvened into open session. No action was taken during executive session, and item 8A was not discussed.

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

Councilmember Hughes made a motion (1) to ratify conditional mediation settlement agreement and (2) authorize the Mayor and City Manager to take all action to finalize settlement between parties, seconded by Councilmember Sigerman. The motion was approved 5-0.

10. **ITEMS FOR FUTURE AGENDAS:**

Mayor Herring requested to add an item on a future agenda to discuss the City Council representatives or liaisons on various Boards ie EIC, Playhouse 2000, Airport; City Council presented consensus to add item.

Mayor Herring requested to add an item on a future agenda to discuss the Tivy Mountain Cemetery located at Loop 534 and Cypress Creek Road. Mayor Herring suggested to appoint a Cemetery Committee comprised of decedents of the Cemetery populace, and task the Committee to provide a plan for the upkeep, care, and maintenance of the cemetery; City Council presented consensus to add item.

ADJOURN. The meeting adjourned at 8:20 p.m.

APPROVED BY COUNCIL: _____

Joe Herring Jr., Mayor

Shelley McElhannon, City Secretary



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

CAPTION: Ordinance No. 2025-13. 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 329 W. Main, consisting of part of Lot 17 and Lot 18, Block 17, of the Westland Addition, and within the City of Kerrville, Kerr County, Texas; from a Single-Family Residential with Accessory Dwelling Unit Zoning District (R-1A) to a Residential Transition Zoning District (RT); and providing other matters relating to the subject. *(D Paxton, Director of Planning & Development Services)*

AGENDA DATE: May 27, 2025

DATE SUBMITTED: 04/23/2025

SUBMITTED BY:

EXHIBITS:

1. 20250527 Ord 2025-13 Zone change RT 329 W Main
2. PZ-2025-5_Current Zoning Map
3. PZ-2025-5_K2050 Future Land Use Map

Expenditure:

Amount Budgeted:

Account Number:

Account Balance:

**Payment to/Vendor
name:**

Kerrville 2050 Item?

Key Priority Area:

No

SUMMARY:

Proposal: The applicant requests a zoning change from **Single-Family Residential with Accessory Dwelling Unit (R-1A)** to a **Residential Transition Zoning District (RT)**. This change allows for a community commercial use, more specifically, office space, on property that is currently limited to residential use only.

The property is located in an area where there are already nonconforming community commercial uses within the R-1A zoning district and is also adjacent to existing Residential Transition (RT) and Community Commercial (C-1) zoning. This request is in conformance with current surrounding uses and should not impact traffic or parking.

Procedural Requirements

- **Public notification letters:** Sent to **19 adjacent property owners** on **3/20/2025**
- **Public notice publication:** Hill Country Community Journal on **3/12/2025** and

4/23/25

- **Public hearing sign:** Posted on **3/21/2025**
- **Public comment received:** None

Staff Analysis & Recommendation

Consistency with Kerrville 2050 Plan

- Located within **Neighborhood Residential (NR) and directly adjacent to Community Commercial (CC)** future land use area
- Neighborhood Residential (NR) supports a small amount of neighborhood-serving retail and office in carefully chosen locations
- Proposed location is adjacent to existing community commercial uses
- **Conclusion:** Request aligns with Kerrville 2050 goals

Adjacent Zoning & Land Uses

- **Subject Property:**
 - **Current Zoning:** Single-Family Residential w/ Accessory Dwelling Unit (R-1A)
 - **Existing Use:** Single-family residence
- **North:** Single-Family Residential w/ Accessory Dwelling Unit (R-1A)
 - **Existing Use:** Single-family residences and some nonconforming office uses
- **South:** Neighborhood Commercial (C-1)
 - **Existing Use:** Small businesses and some vacant land
- **West:** Residential Transition (RT)
 - **Existing Use:** Single-family residences and some small businesses
- **East:** Neighborhood Commercial (C-1) and Residential Transition (RT)

Thoroughfare & Traffic Impact

- No impact on the thoroughfare system
- No traffic impact anticipated

Parking Requirements

- Must meet **current off-street parking regulations**
- Parking to be integrated into final project prior to issuance of building permit

Recommendation

Approval recommended based on:

- **Kerrville 2050 Comprehensive Plan alignment**
- **Appropriate land use**
- **Minimal neighborhood impact**

Planning & Zoning Commission approved the zoning change request unanimously with a 7-0 vote.

RECOMMENDED ACTION:

Approve Ordinance No. 2025-13 on first reading.

**CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2025-13**

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 329 W. MAIN, CONSISTING OF PART OF LOT 17 AND LOT 18, BLOCK 17, OF THE WESTLAND ADDITION, AND WITHIN THE CITY OF KERRVILLE, KERR COUNTY, TEXAS; FROM A SINGLE-FAMILY RESIDENTIAL WITH ACCESSORY DWELLING UNIT ZONING DISTRICT (R-1A) TO A RESIDENTIAL TRANSITION ZONING DISTRICT (RT); 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 May 27, 2025, 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 329 W. Main; such change to result in the removal of the property from a Single-Family Residential with Accessory Dwelling Unit Zoning District (R-1A) to placement within a Residential Transition Zoning District (RT); and

WHEREAS, on May 27, 2025, 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 both the Zoning Code for the City of Kerrville, Texas, Chapter 60 of the Code of Ordinances (Zoning Code); and the *Official Zoning Map* to designate the following described property zoned as within a Residential Transition Zoning District (RT):

Legal Description: Lot 17 and part of Lot 18, Block 7 of the Westland Addition, a subdivision 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: 329 W. Main, 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.

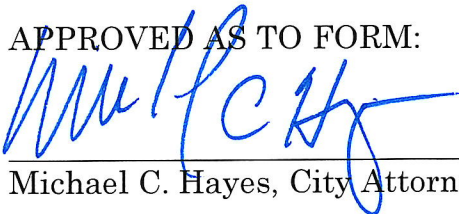
SECTION FIVE. Pursuant to Texas Local Government Code §52.013(a) and Section 3.07 of the City's Charter, the City Secretary is authorized to publish the descriptive caption of this Ordinance in the manner and for the length of time prescribed by the law as an alternative method of publication.

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 ____ day of _____, A.D., 2025.

PASSED AND APPROVED ON SECOND AND FINAL READING, this the ____ of _____, A.D., 2025.

APPROVED AS TO FORM:



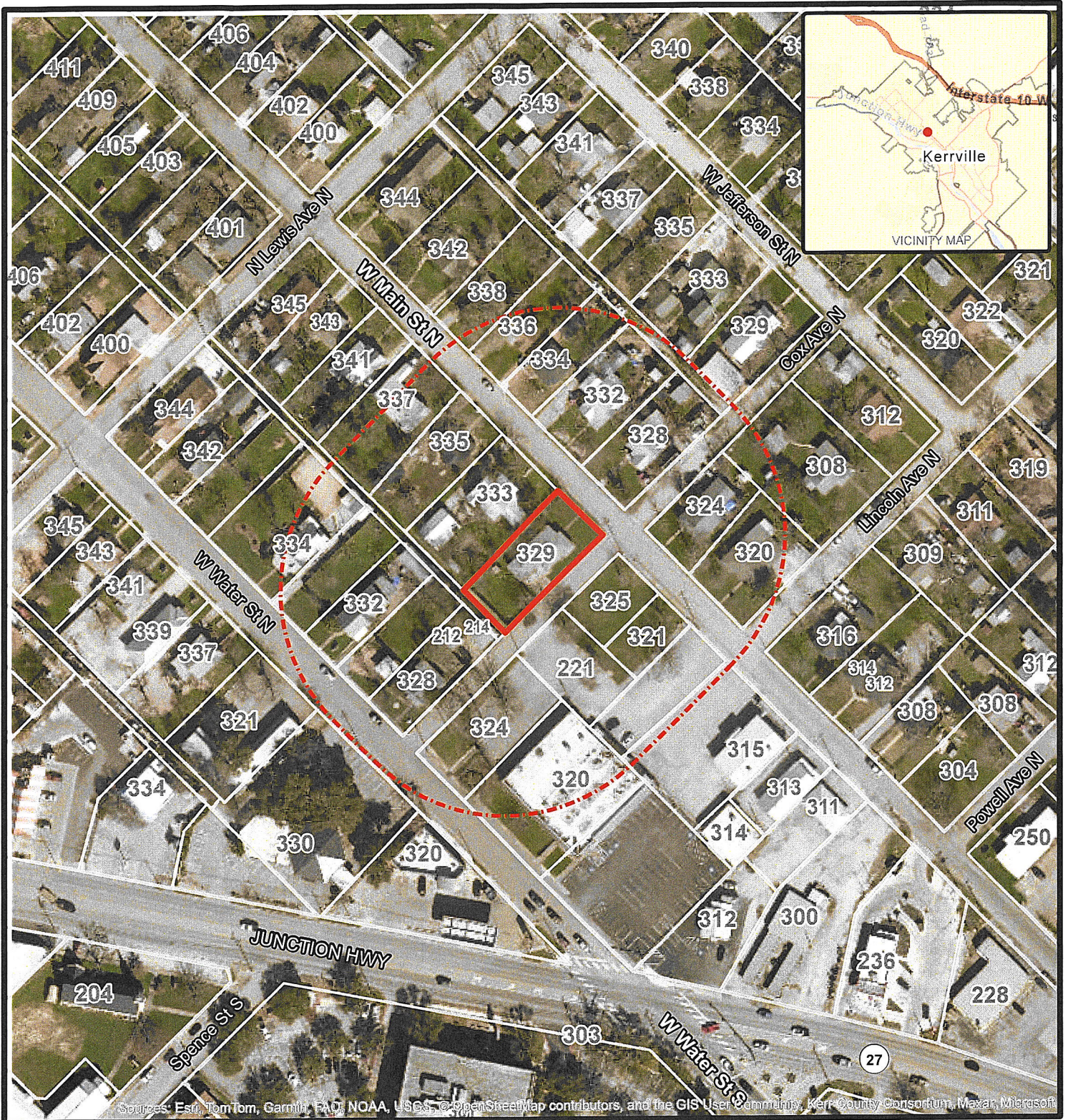
Michael C. Hayes, City Attorney

Joe Herring, Jr., Mayor

ATTEST:

Shelley McElhannon, City Secretary

EXHIBIT A



Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community, Kerr County Consortium, Maxar, Microsoft

Location Map

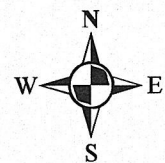
Case # PZ-2025-5

Location:

329 W Main St N

Legend

-  Subject Properties
-  200 Feet Notification Area

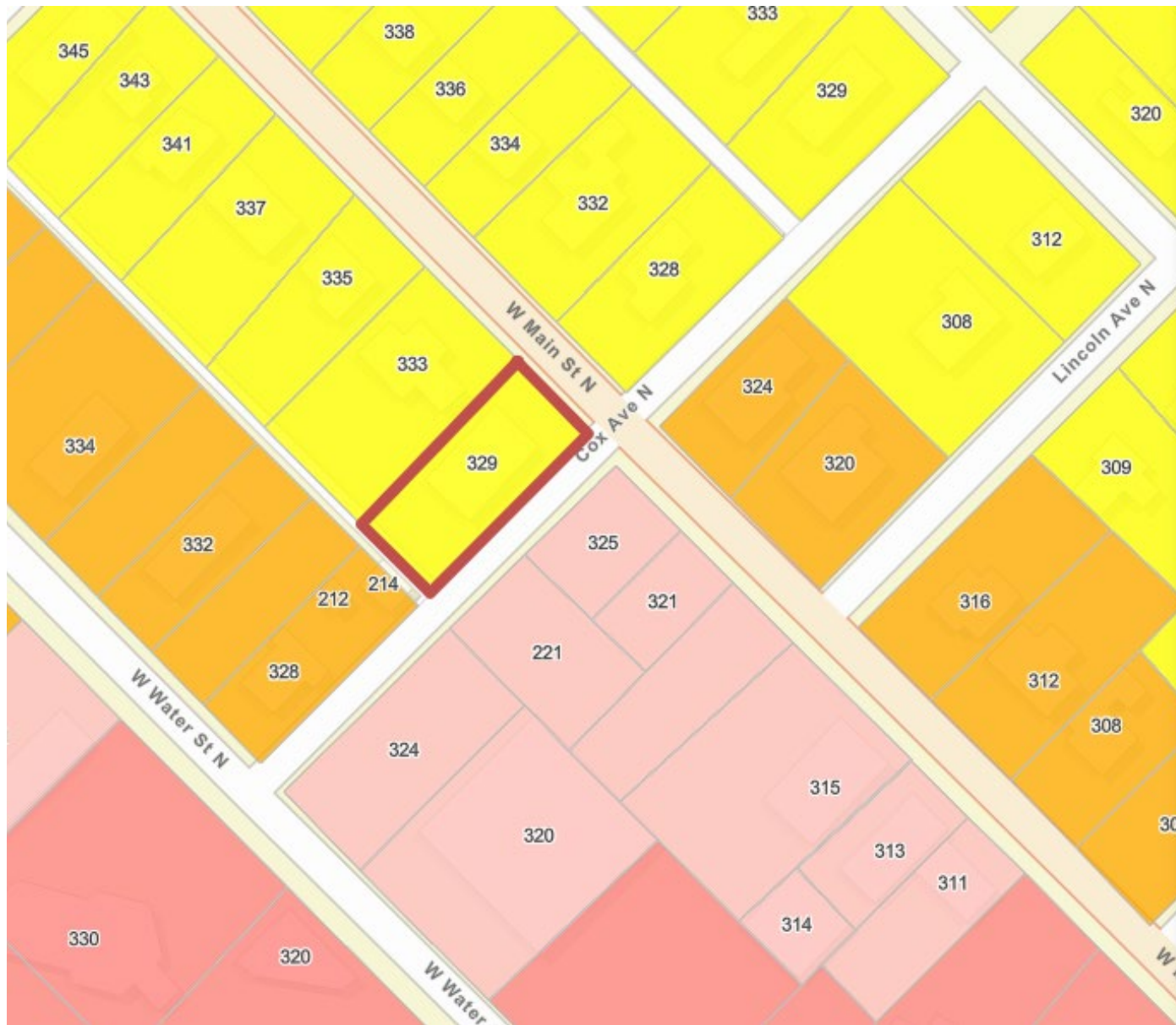


0 50 100 200

Scale In Feet

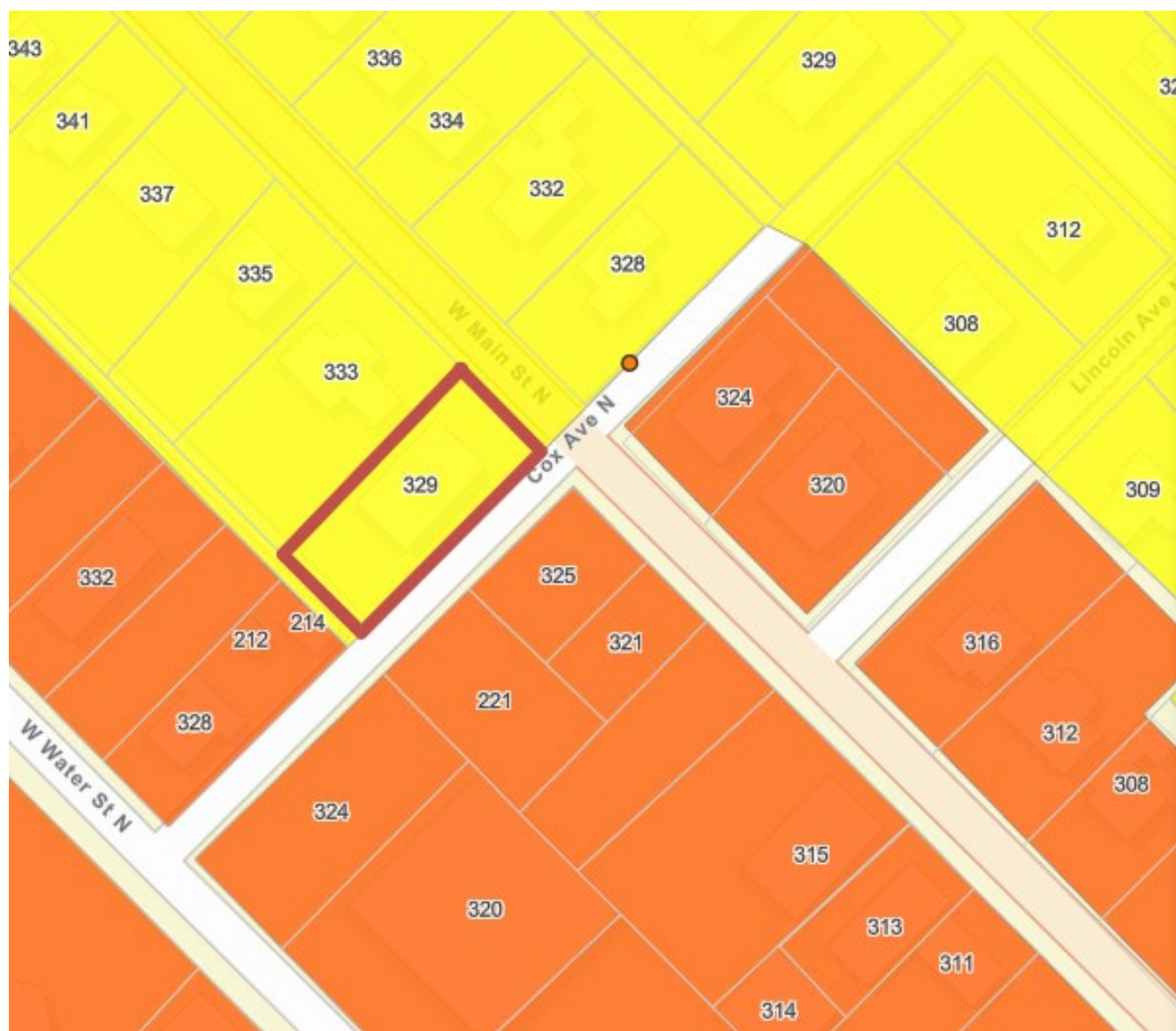
03/14/2025

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.



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



Future Land Use (Current)

Place Type

-  Strategic Catalyst Area
-  Park and Open Space
-  Public Use
-  Agriculture and Outdoor Tourism
-  Rural Living
-  Estate Residential
-  Neighborhood Residential
-  Preservation Residential
-  Transitional Residential
-  Downtown
-  Community Commercial
-  Regional Commercial
-  Entertainment/Mixed Use
-  Professional Services
-  Heavy Commercial/Light Industrial



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

CAPTION: Resolution No. 12-2025. A Resolution authorizing a waiver of various fees associated with the construction of single-family homes for Habitat for Humanity Kerr County, Inc.; said waiver applicable to the construction of forty-four homes on existing lots within its Mariposa Subdivision. (*D Paxton, Director of Planning & Building Services*)

AGENDA DATE: May 27, 2025

DATE SUBMITTED: 05/07/2025

SUBMITTED BY:

EXHIBITS:

1. 20250527 Reso 12-2025 Waiver fees for Habitat for Humanity Mariposa Subdivision

Expenditure:

Account Number:

**Payment to/Vendor
name:**

Amount Budgeted:

Account Balance:

Kerrville 2050 Item?

Yes

Key Priority Area:

SUMMARY:

Habitat for Humanity Kerr County continues to construct affordable homes for Kerrville families. They are currently working on some infill lots within the community. As the need for affordable housing continues to grow, Habitat has been able to provide homes through community support, including in-kind support and waiver of fees from the City of Kerrville. Similarly to their previous subdivision, the Maud Jennings neighborhood, Habitat Kerr County is requesting a waiver for the following fees:

Parkland Dedication;

Building, Electrical, Plumbing, and Mechanical Fees;

and Platting and re-platting fees.

This waiver would be for 44 Habitat single-family homes in the new Mariposa Subdivision.

RECOMMENDED ACTION:

Approve Resolution No. 12-2025.

**CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 12-2025**

**A RESOLUTION AUTHORIZING A WAIVER OF VARIOUS FEES
ASSOCIATED WITH THE CONSTRUCTION OF SINGLE
FAMILY HOMES FOR HABITAT FOR HUMANITY KERR
COUNTY, INC.; SAID WAIVER APPLICABLE TO THE
CONSTRUCTION OF FORTY-FOUR HOMES ON EXISTING
LOTS WITHIN ITS MARIPOSA SUBDIVISION**

WHEREAS, the work of Habitat for Humanity Kerr County, Inc. ("Habitat-Kerr County") benefits the citizens of Kerrville by providing a means of increasing affordable housing within the City of Kerrville; and

WHEREAS, Habitat-Kerr County intends to construct additional single family homes within the City on properties (lots) it currently owns, all such properties located within its Mariposa Subdivision; and

WHEREAS, Habitat-Kerr County has requested that the City waive the payment of various fees related to the development of the lots and construction of the homes; and

WHEREAS, City Council finds that increasing the inventory of affordable housing in the City, encouraging in-fill development on property which for-profit home builders generally find unprofitable, and encouraging new construction in areas of the City where neighborhood revitalization is needed, all serve a public purpose, and as such, it is in the public interest to waive the fees specified below which would result from Habitat-Kerr County's construction of the homes specified above;

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

SECTION ONE. Subject to Sections Two and Three, below, the payment of the following fees are waived for Habitat-Kerr County for its construction of single family homes on forty-four properties (lots) that it currently owns, located within its Mariposa Subdivision:

- a. Parkland Dedication Fee;
- b. Building, Electrical, Plumbing, and Mechanical Fees; and
- c. Platting and replatting fee.

SECTION TWO. The waiver of fees described in Section One, above, applies only to applications filed by Habitat-Kerr County.

SECTION THREE. The waiver of the various fees listed in Section One, above, is not to be construed and does not waive any requirements for obtaining the various permits and inspections required by the Code of Ordinances of the City of Kerrville, Texas, or any other applicable federal, state, or local law or regulation, nor is it to be construed as granting any waivers or variances to the subdivision regulations of the City of Kerrville.

PASSED AND APPROVED ON this the _____ day of _____, A.D., 2025.

Joe Herring, Jr., Mayor

ATTEST:

Shelley McElhannon, City Secretary

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney



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

CAPTION: Agreement with Guadalupe-Blanco River Authority to enter into Guadalupe River Habitat Conservation Plan. (*S Barron, Executive Director*)

AGENDA DATE: May 27, 2025

DATE SUBMITTED: 05/16/2025

SUBMITTED BY:

Stuart Barron, Executive Director of Public Works and Engineering

EXHIBITS:

1. 20250527 GRHCP MOA - City of Kerrville

Expenditure:

Account Number:

**Payment to/Vendor
name:**

Amount Budgeted:

Account Balance:

Kerrville 2050 Item?

Yes

Key Priority Area:

W – Water/Wastewater/Drainage

SUMMARY:

In October 2022, the Kerrville City Council adopted Resolution 69-2022 in support of the Guadalupe-Blanco River Authority's (GBRA) efforts to develop a Habitat Conservation Plan (HCP) in response to the potential listing of several freshwater mussel species in the Guadalupe River under the Endangered Species Act. The U.S. Fish and Wildlife Service (USFWS) officially listed the freshwater mussel species as endangered in June 2024.

The purpose of the HCP is to provide a long-term, coordinated strategy to conserve listed species while allowing for continued water-related activities essential to the region. Development of the HCP enables GBRA and participating entities to proactively manage species impacts and secure regulatory assurances through an *Incidental Take Permit*.

Since 2022, GBRA has established a strong working relationship with City of Kerrville staff, collaborating to assess the City's water-related activities and their potential effects on threatened and endangered species in the Guadalupe River. This partnership has included multiple in-person meetings, technical discussions, and presentations to ensure City operations are appropriately considered in the development of the HCP. GBRA is requesting the City's formal participation in the Guadalupe River HCP, by executing the attached Memorandum of Agreement. GBRA anticipates submitting a

complete draft of the HCP to the USFWS in Spring 2026 and estimates that the *Incidental Take Permit* will be issued in 2027.

RECOMMENDED ACTION:

Approve City Manager to negotiate a Memorandum of Agreement with GBRA to confirm participation in and complete the development of the Guadalupe River HCP.

**MEMORANDUM OF AGREEMENT
BETWEEN
GUADALUPE-BLANCO RIVER AUTHORITY
AND
CITY OF KERRVILLE**

This Memorandum of Agreement (“MOA”) is made and entered into this ____ day of _____, 2025 (the “Effective Date”) by and between the Guadalupe-Blanco River Authority (“GBRA”), a conservation and reclamation district and political subdivision of the State of Texas created pursuant to Article 16, Section 59 of the Texas Constitution by special act of the Legislature and City of Kerrville, a municipality. GBRA and City of Kerrville may be referred to herein individually as a “Party” or collectively as the “Parties.”

RECITALS

WHEREAS, GBRA is a conservation and reclamation district created under the authority of Article 16, Section 59 of the Texas Constitution, consisting of that part of the State of Texas that is located within the boundaries of the Counties of Hays, Comal, Guadalupe, Caldwell, Gonzales, DeWitt, Victoria, Kendall, Refugio and Calhoun; and

WHEREAS, City of Kerrville is a municipality located in Kerr County, Texas;

WHEREAS, GBRA’s enabling legislation conferred upon GBRA the authority to, among other things, conserve surface water resources and the natural resources within the Guadalupe River Basin within its 10-county service area;

WHEREAS, under the federal Endangered Species Act of 1973 (“ESA”), it is unlawful to “take” any fish or wildlife species listed as endangered or threatened, 16 U.S.C. § 1538(a)(1)(B), such that “take” is defined in 16 U.S.C. § 1532(19) and includes any actions that, among others, harass, harm, or kill protected species;

WHEREAS, GBRA is actively engaged in the process of developing the Guadalupe River Habitat Conservation Plan (“GRHCP”) pursuant to Section 10(a)(2)(A) of the ESA, to minimize and mitigate the adverse impacts of its covered activities on certain threatened and endangered species within the Guadalupe River Basin to the maximum extent practicable, for the purpose of obtaining a Section 10(a) Incidental Take Permit (“Permit”) from the United States Fish and Wildlife Service (“USFWS”), to provide regulatory

certainty to conduct its activities, support its constituents, and achieve its statutory obligations within the river basin;

WHEREAS, GBRA recognizes the potential benefits of expanding participation in the GRHCP to involve key stakeholders, including both governmental and private entities, engaged in surface water resource use or management or other related activities within the Guadalupe River Basin;

WHEREAS, as part of its efforts, GBRA is developing a Certificate of Inclusion Program (“COI Program”) that would extend the regulatory certainty, protection, and other benefits of its Section 10(a) Incidental Take Permit to key stakeholders that participate in the program, including City of Kerrville;

WHEREAS, the GBRA HCP COI Program affords City of Kerrville the opportunity to participate in evaluating options to offset impacts from its covered activities on the species GBRA intends to have covered by its Permit (“covered species”), and to enroll in the GRHCP through a Certificate of Inclusion (“COI”) in order to obtain the expected benefits of GBRA’s Permit;

WHEREAS, GBRA and City of Kerrville have invested significant time and expense in evaluating City of Kerrville’s operations and activities to assess City of Kerrville’s participation in the COI Program by means of numerous collaborative discussions and meetings, and GBRA intends to continue providing support in furtherance of City of Kerrville’s potential participation as GBRA takes next steps to attain approval from USFWS of the COI Program as a component of the GRHCP;

WHEREAS, the Parties recognize the benefits of collaborating to support conservation efforts and compliance with the ESA, and City of Kerrville intends to enroll in the GBRA HCP COI Program upon the issuance of the Permit to GBRA by USFWS.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and efforts, obligations, and benefits described in this MOA, the sufficiency of which is hereby acknowledged, GBRA and City of Kerrville agree as follows:

I. MOA SCOPE

1. **PURPOSE.** The purpose of this MOA is to establish a framework for cooperation between GBRA and City of Kerrville to facilitate City of Kerrville's ultimate receipt of the benefits associated with GBRA's Permit by way of a COI, as authorized under federal law and USFWS rules.
2. **FOCUS.** The Parties intend to continue collaboration to identify and describe City of Kerrville's proposed covered activities and proposed conservation measures, as currently understood by the Parties and preliminarily described in Exhibit A, as well as other implementation requirements of City of Kerrville to be identified through development of the GRHCP and COI Program. The Parties understand that these proposed covered activities and proposed conservation measures will be subject to review and comment by USFWS and possible revision as part of the GRHCP development process. The Parties also understand that these proposed covered activities and proposed conservation measures will be subject to public review as part of the Public Draft GRHCP.
3. **COLLABORATION.** The Parties intend to continue collaborating and sharing operational information, both currently available and in the future, regarding the Parties' projected short- and long-term operations, especially pertaining to surface water diversions, water intake facility maintenance and operations, wastewater discharges, on-channel impoundment facility maintenance and operations, impoundment draining, dredging and debris removal, and aquatic recreation.
4. **PARTICIPATION.** GBRA and City of Kerrville may hold meetings throughout the GRHCP development process on an as-needed basis. GBRA will hold at least two Second Party Participant Workgroup meetings and provide City of Kerrville with timely opportunities to participate in these meetings, facilitating information exchange and collaboration throughout the GRHCP development process. Additionally, GBRA shall provide City of Kerrville a reasonable opportunity to participate in GBRA's facilitation of the COI process and provide City of Kerrville with relevant information regarding its efforts to obtain the Permit.
5. **COST RESPONSIBILITY.** The Parties agree that, during the term of this MOA, each Party shall be responsible for its respective costs incurred in the development and sharing of information as described herein. Costs include, but are not limited to, fees and expenses of professionals, including biologists, engineers, attorneys, and other consultants. The Parties acknowledge that GBRA has been, and will continue

to be, responsible for payment of consultant fees and expenses associated with developing the GRHCP along with the support of USFWS Cooperative Endangered Species Conservation Fund planning assistance grant funding.

6. **PROJECT PARTICIPATION.** City of Kerrville agrees to engage in the GBRA HCP planning efforts, including attending Second Party Participant Workgroup meetings and providing relevant information to assist GBRA in attaining USFWS approval of the COI Program as a component of the GRHCP. City of Kerrville agrees to support coordinated efforts to promote the GRHCP. These efforts shall include GBRA-led outreach and public relations activities that emphasize shared conservation goals and recognize the valuable contributions and participation of all parties involved, including City of Kerrville. City of Kerrville acknowledges that participation in this process does not constitute an admission of any liability or responsibility for the take of species but serves as part of the Parties' mutual due diligence. GBRA will ensure that City of Kerrville remains informed of pertinent discussions and negotiations with USFWS regarding the development of the COI Program and their relevance to City of Kerrville's operations, activities, and associated costs.
7. **BENEFITS OF PARTICIPATION.** The Parties acknowledge that enrollment in the COI Program, accomplished through the execution of a COI with City of Kerrville following the issuance of the Permit to GBRA, will provide protection to City of Kerrville from certain federal regulatory and other enforcement actions under the ESA related to incidental take of the covered species.

II. GENERAL PROVISIONS

8. **WORK PRODUCT OWNERSHIP.** Each Party shall retain ownership, right, title, and interest in all written materials and information it prepares, produces, and otherwise shares with the other Party pursuant to this MOA.
9. **DENIAL OF PARTNERSHIP.** The Parties are independent entities and are not agents, partners, joint-venture participants or otherwise responsible for the acts, omission, or conduct of the other Party.
10. **APPLICABLE LAW.** The Parties agree that this MOA shall be governed by and construed in accordance with the laws of the State of Texas without regard to its conflict-of-law provisions.

11. ENTIRE AGREEMENT. The Parties agree that this MOA constitutes the entire agreement between the Parties, and supersedes any prior oral or written agreement between the Parties concerning the subject matter hereof.
12. TERM. This MOA shall terminate upon the earlier of (1) the execution of a COI by City of Kerrville or (2) December 31, 2029. Notwithstanding, this MOA may be terminated by either Party without cause upon 90 (ninety) days following prior written notice of termination provided by either Party.
13. AMENDMENTS. This MOA shall be subject to change or modification only with the mutual written consent of the governing bodies of each of the Parties.
14. ASSIGNMENT. This MOA shall not be assignable by either Party without the prior written consent of the other Party.
15. THIRD PARTIES. This MOA shall be for the sole and exclusive benefit of the Parties and shall not be construed to confer any benefit or right upon any third party.
16. NOTICES. For the purposes of notice, the addresses of and the designated representative for receipt of notice for each of the Parties shall be as follows:

For GBRA:

Guadalupe-Blanco River Authority
Attn: Nathan Pence
Executive Manager of Environmental Science
2225 E. Common Street
New Braunfels, TX 78130

For City of Kerrville:

Attn: _____

_____, TX _____

Executed in duplicate originals on the dates shown below by the following duly authorized representatives:

Guadalupe-Blanco River Authority

City of Kerrville

by: _____

Darrell Nichols

General Manager/CEO

by: _____

Date: _____

Date: _____

EXHIBIT A

Covered Activities and Conservation Measures

Exhibit A - Covered Activities and Conservation Measures

City of Kerrville

This exhibit of the Memorandum of Agreement (MOA) between the Guadalupe-Blanco River Authority and the City of Kerrville outlines the conservation measures that the City of Kerrville (City) and the Guadalupe-Blanco River Authority (GBRA) have proposed in concept to minimize and mitigate the impacts from the City's covered activities on the species covered in the Guadalupe River Habitat Conservation Plan (GRHCP). It was developed through numerous discussions and meetings between the City and GBRA to establish a framework for collaboration and to ensure the successful implementation of the GRHCP.

The City's activities in the Guadalupe River or one of its tributaries, which are proposed to be covered in the GRHCP, include diversion of surface water, maintenance and operation of water intake infrastructure, and discharge of treated wastewater.

Table 1 below sets forth the proposed conservation measures that the City and GBRA have preliminarily identified for inclusion in this collaborative framework. The City shall be responsible for the costs associated with implementing the final conservation measures, as mutually agreed upon and finalized once the U.S. Fish and Wildlife Service (USFWS) issues the Incidental Take Permit (Permit) to GBRA and the Certificate of Inclusion (COI) is executed by GBRA and the City.

Table 1. Proposed GRHCP Conservation Measures to be Implemented by the City of Kerrville	
#	Measure
1	The City shall commit to discharging no less than 50% of the daily produced volume of its treated wastewater effluent from the City's wastewater treatment facilities included for coverage in the HCP into the Guadalupe River directly or through its tributaries, as authorized by its TPDES permits. As the volume of treated wastewater increases with growing service load, build-out of the plant, or TPDES permit amendments, this commitment shall remain fixed at no less than 50% of the produced volume.
2	The City shall adhere to protective ammonia discharge parameters in wastewater effluent by managing and treating to maintain ammonia concentrations in effluent at or below 2.0 mg/L.
3	The City shall manage Nimitz Lake to ensure that surface water inflow equals surface water outflow whenever the U.S. Geological Survey (USGS) gaging station #08167000 ("Comfort gage") measures streamflows of less than 40 cubic feet per second.
4	The City shall adhere to the provisions in its surface water rights and the standard operating procedures for its aquifer storage and recovery facility, which govern the suspension of diversions from the Guadalupe River when instream flows fall below specified monthly thresholds. To ensure the highest level of flow protection, the City shall implement whichever provision—whether under its surface water rights provisions or standard operating procedures—is more protective. At a minimum, the City shall maintain existing flow protection levels or adopt more restrictive measures

	to prevent any reduction in flow protection. The specific criteria for this measure will be further evaluated and detailed in the HCP.
5	The City shall provide GBRA with access to applicable City-owned properties, and otherwise coordinate with other local landowners to obtain access for GBRA and whenever possible provide assistance for salvage activities occurring along the banks of the Guadalupe River, or one of its tributaries, within City limits, to relocate covered freshwater mussel species that are stranded, or at risk of desiccation, once instream flows drop below a specified threshold. The specific criteria for initiating these salvage activities and locations will be established through further evaluation and described in the HCP.
6	The City shall develop and implement an educational program to raise awareness about the Guadalupe orb, Guadalupe fatmucket, and related topics such as the Endangered Species Act, the GRHCP, ecosystem health, water quality, and water conservation. The City's activities shall include any combination of, and are not limited to, distributing materials to water utility customers, providing signage in public places, installing kiosks at river access points, sharing information on its website, or collaborating with schools to integrate relevant topics into curricula. The scope and methods of the program shall remain flexible to align with the City's resources and the specific needs of the targeted audiences. In addition, the City shall include a link to the GBRA-hosted Guadalupe River Habitat Conservation Plan webpage on its website to provide information about the HCP to the public.
7	The City shall develop and implement a Drought Contingency Plan for City-owned water supply operations or, if an existing plan is already in place, continue its implementation and ensure it is updated in a timely manner or according to the required schedule. In future plan amendments, the City shall commit to maintaining current levels of water conservation or adopting more restrictive measures, thereby avoiding any reduction in conservation.

In addition to the costs associated with the conservation measures listed above that are the responsibility of the City, GBRA will assess an administrative fee for the City's participation in the GRHCP. This fee will be used to help implement the GRHCP. The fee will be calculated based on the City's relative impact and scale of operations in comparison to other GRHCP participants, including GBRA.

The conservation measures and the estimated fee are dependent on GBRA's negotiations with the USFWS on the terms and conditions of the GRHCP and associated federal Permit. The final cost of participation in the GRHCP will be determined only after the USFWS issues the Permit to GBRA and the COI is executed by GBRA and the City. To account for inflation over the term of the COI, the administrative fee will be adjusted as needed to account for inflation, consistent with the final GRHCP.



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

CAPTION: Construction Contract with Dowtech Specialty Contractors, Inc. for the Lift Station Rehabilitation project in the amount of \$2,955,207.00. (*K Burow, Director Engineering*)

AGENDA DATE: May 27, 2025

DATE SUBMITTED: 05/16/2025

SUBMITTED BY:

Kyle Burow, Director of Engineering

EXHIBITS:

1. 20250527_Letter_UEG - Letter of Recommendation 5-16-25
2. 20250527_Bids_Bids Summary - Lift Station Rehabilitation Improvements

Expenditure:	\$2,955,207.00	Amount Budgeted:
Account Number:	Project #71-24001	Account Balance:
Payment to/Vendor name:	Dowtech Specialty Contractors, Inc.	

Kerrville 2050 Item?

Key Priority Area:

SUMMARY:

In January 2023, City Council authorized steps to begin the issuance of Revenue Bonds in an amount not to exceed \$12.5 million to be utilized in assisting the City's replacement, reconstruction, and upgrading of existing water and wastewater infrastructure. Some of the higher priority projects presented to City Council for the Wastewater Collection System were the rehabilitation of the Airport and Broadway lift stations due to severe corrosion and deterioration of the components within the wet wells. The City hired Utility Engineering Group, PLLC to complete the design and provide construction documents for the improvements. The scope of the project will address wet well piping corrosion issues caused by raw sewer gas exposure at the Broadway and the Airport lift stations, as well as pump, electrical, and SCADA component replacement at the Airport lift station. Additionally, City staff and the design team evaluated wet well aeration systems to try and reduce the amount of H₂S gas development at the Airport lift station. The evaluation produced a result requiring aeration improvements and electrical upgrades needed at the Airport Commerce lift station. While evaluating similar scopes of work, staff considered the inclusion of the Comanche Trace lift station upgrades to be included on the project as an economy of

scale valuation for the City. This was placed as a separate alternate to be included in the bid package aimed to assist staff on the necessary maintenance upgrades on aging infrastructure.

The design team completed the construction documents and the project was placed for advertisement. The bid opening was held with three bids received and Dowtech Specialty Contractors, Inc. as the apparent low bid. Staff and Utility Engineering Group recommend awarding the project to Dowtech Specialty Contractors, Inc. for the base bid and both alternates compiling a total contract amount of \$2,955,207.00.

RECOMMENDED ACTION:

Authorize the City Manager to finalize and execute a construction contract.



May 16, 2025

Mr. Juan M. Valdez Jr., P.E.
Project Engineer
City of Kerrville
701 Main Street
Kerrville, Texas 78028

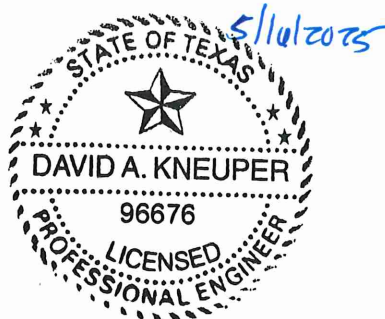
RE: City of Kerrville – Lift Station Rehabilitation Improvements Project
Bid Award Recommendation

Utility Engineering Group, PLLC (UEG) has reviewed the bids received on Wednesday, May 15, 2025, for the City of Kerrville – Lift Station Rehabilitation Improvements Project. The City of Kerrville received three (3) qualified bids for this project. The project was advertised in the Hill Country Journal for two consecutive weeks, on April 9, 2025, and April 16, 2025. The project bid advertisement was posted on the CIVCAST website as well as the City of Kerrville's website, for the duration of the bidding process.

I have attached a bid tabulation for the received bids. UEG recommends awarding the lowest cost, the most responsive bidder, Dowtech Specialty Contractors, Inc., for the total base bid plus alternate bids No. 1 and No. 2 of \$2,955,207.00. Dowtech Specialty Contractors, Inc. has met all requirements of the bid documents, and their bid submittal satisfies all requirements for the City of Kerrville, therefore Utility Engineering Group, PLLC has no reservation recommending award of the Lift Station Rehabilitation Improvements Project for Dowtech Specialty Contractors, Inc.

Sincerely,


David Kneuper, P.E.
Utility Engineering Group, PLLC
davidk@uegpros.com
(830) 214-0521



Attachments: Bid Tabulation

**The City of Kerrville
Lift Station Rehabilitation Improvements Project
Bid Opening
May 14, 2025, 3:00 PM**

[illegible]



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

CAPTION: Professional Service Agreement with Spanish Oak Consultants, LLC for professional golf services at Scott Schreiner Golf Course. (*R Ledesma, Interim Parks & Recreation Director*)

AGENDA DATE: May 27, 2025

DATE SUBMITTED: 04/15/2025

SUBMITTED BY:

Rosa Ledesma, Assistant Director of Parks & Recreation

EXHIBITS:

1. PSA_Harrell_Golf Professional Emeritus_051325-2

Expenditure: \$50,000

Amount Budgeted:

Account Number:

Account Balance:

**Payment to/Vendor
name:**

Kerrville 2050 Item?

Key Priority Area:

SUMMARY:

Scott Schreiner Golf Course is midway through a \$3.5 million renovation to modernize and improve course infrastructure and amenities. To capitalize on this investment and position the course for long-term success, staff proposes engaging Mitch Harrell, a seasoned PGA professional, to advise on strategic planning, marketing, and course development.

In this role, Mr. Harrell will:

- Guide tournament planning and youth golf programming.
- Lead marketing strategies and revenue-generating initiatives.
- Support agronomy and course management in coordination with staff.
- Serve as a community ambassador and industry liaison.

Mr. Harrell will assume these duties in June of this year, just prior to the reopening of the course. The agreement includes \$50,000 annual compensation, with options for renewal. Funding for this agreement will be provided through the Golf Enterprise Fund and incorporated into the annual operating budget.

RECOMMENDED ACTION:

Approve the professional services agreement

**PROFESSIONAL AGREEMENT FOR GOLF PROFESSIONAL BY AND
BETWEEN THE CITY OF KERRVILLE, TEXAS AND SPANISH OAK
CONSULTANTS, LLC**

THIS AGREEMENT, entered into this ____ day of _____, 2025, by and between the CITY OF KERRVILLE, TEXAS ("City") and SPANISH OAK CONSULTANTS, LLC ("SOC") is made for and in consideration of the following promises and conditions:

1. **Appointment as Golf Professional Emeritus:** During the term of this Agreement, SOC agrees to provide personal and professional services to City as a golf professional and with respect to other services specified below relating to the operations of the SCOTT SCHREINER MUNICIPAL GOLF COURSE (1 Country Club Lane) ("Golf Course") in Kerrville, Texas, which is owned by City. In performing under this Agreement, SOC shall provide the following services and perform the following duties and obligations in a professional and workmanlike manner:

- a. SOC shall at all times during the term of this Agreement and at its own expense assign an individual, Mitchell Harrell, to provide the required services to the City, and Mitchell Harrell shall be and remain a member of the Professional Golfer's Association of America or successor organization. In addition, SOC shall ensure that Mitchell Harrell obtains and/or maintains, in his name and at SOC's or Harrell's expense, any other licenses and certifications required in order for SOC to provide the services described herein. SOC shall not replace Mitchell Harrell as the City's Golf Professional Emeritus without the prior written consent of the City.
- b. SOC shall assist City with the development of strategic plans for City's use to increase the number of tournaments at the Golf Course.
- c. SOC shall assist City with the development and promotion of junior golf programs at the Golf Course.
- d. SOC shall assist City with the development of revenue-generating programs at the Golf Course, including, but not limited to, membership opportunities, golf lessons, and pro shop sales.
- e. SOC shall assist City with the development of the marketing strategy to promote the Golf Course and attract users.
- f. SOC shall assist City to obtain sponsors, donors, and business partners to support Golf Course initiatives, including, but not limited to, junior golf programs, increased tournaments, and increased use of the Golf Course.

- g. SOC shall assist City with supervising the condition of the Golf Course and making necessary agronomy and equipment recommendations, budget suggestions, and sustainability initiatives to maintain high-quality course conditions.
 - h. SOC shall provide expertise in determining the financial needs for maintenance of and improvements to the Golf Course.
 - i. SOC shall mentor Golf Course staff to foster their professional development efforts.
 - j. SOC shall serve as the ambassador of the Golf Course throughout the region and the broader golf industry.
 - k. SOC shall work with the City, as necessary, to align Golf Course operations with the City's goals.
2. **Compensation:** City will pay SOC the total amount of \$50,000.00 in 12 equal payments over the 12 month term of this contract. Subject to Section 4, said amount will be paid out monthly on or before the twentieth (20th) day of each month. Each monthly payment for the first 11 months will be \$4,166.67, and the final twelfth payment will be \$4,166.63.
3. **Term:** This Agreement shall be for a term commencing on June 1, 2025, and ending May 31, 2026, unless terminated earlier as provided herein. In addition, this Agreement is subject to extension in accordance with Section 9, below.
4. **Invoicing:** SOC shall submit an itemized invoice to the City no later than the fifth business day of each month for services SOC performed during the prior calendar month. Upon approval of the invoice by the City, City shall issue payment in compliance with Section 2 above.
5. **INDEMNITY:** SOC AND HIS EMPLOYEES, AGENTS, REPRESENTATIVES OR SUBCONTRACTORS, IF ANY, AGREE TO INDEMNIFY, DEFEND, AND HOLD HARMLESS CITY AND ALL OF ITS OFFICERS, AGENTS, AND EMPLOYEES FROM ALL SUITS, ACTIONS, CLAIMS, DAMAGES, PERSONAL INJURIES, LOSSES, PROPERTY DAMAGES, AND EXPENSES OF ANY CHARACTER WHATSOEVER, INCLUDING ATTORNEY'S FEES, BROUGHT FOR OR ON ACCOUNT OF ANY INJURIES OR DAMAGES RECEIVED OR SUSTAINED BY ANY PERSON OR PROPERTY ON ACCOUNT OF ANY NEGLIGENT OR INTENTIONAL ACT OR OMISSION OF SOC OR ANY OF HIS EMPLOYEES, AGENTS, REPRESENTATIVES, OR SUBCONTRACTORS IN THE EXECUTION, SUPERVISION, AND OPERATIONS GROWING OUT OF OR IN ANY WAY CONNECTED

WITH SOC'S SERVICES OR OPERATIONS PURSUANT TO THIS AGREEMENT.

6. **Independent Contractor:** Nothing contained herein shall be construed to create any principal/agent, employer/employee, joint venture, partnership or other arrangement or relationship between City and SOC and any of SOC's assistants, employees, or agents. SOC and his assistants, employees, or agents shall at all times be an independent contractor and shall maintain full control over the means of conducting the business operations permitted hereby, provided such means are consistent with the provisions of this Agreement. Neither SOC nor any of SOC's assistants, employees, or agents shall have the right to obligate the City in any manner whatsoever. At no time shall SOC or any of SOC's assistants, employees, or agents be entitled to any benefits provided or available to City's employees.
7. **No Assignment:** This Agreement is for unique personal services that may not be assigned by SOC, in whole or in part, with any attempt at such assignment being void.
8. **Early Termination:** City or SOC may, at each's sole option, terminate this Agreement at any time upon thirty (30) days' written notice to the nonterminating party. Upon the culmination of termination, City shall be relieved of any obligation to pay SOC any of the remaining pro rata portion of the \$50,000.00 identified as compensation in paragraph 2.
9. **Option to Renew:** Not later than sixty (60) days before the end of the Initial Term or, if applicable, during each annual term, the parties may agree in writing to extend the term an additional year. Such renewal may occur for up to, but no more than, three (3) consecutive one-year periods. If no renewal agreement is entered into prior to the end of the initial or any annual extension, this Agreement will expire and terminate and be of no force and effect provided that SOC is no in default hereunder.
10. **Notices:** SOC shall send all notices required under this Agreement to the Director of Parks & Recreation at City Hall, 701 Main Street, Kerrville, Texas 78028. SOC agrees that only the City Manager, or his/her designee, has the authority to represent City or bind City under this Agreement. City shall send all notices required under this Agreement to SOC at:

Mitchell Harrell
Spanish Oak Consulting, LLC
211 S. Spanish Oak Trail
Kerrville, Texas 78028
(830) 777-8166
Mharrell61@gmail.com

11. City's Point of Contact: City's point of contact to SOC is the Assistant Director of Parks and Recreation. City shall provide SOC with contact information.

12. Default: If either party fails to fulfill its responsibilities and duties specified in this Agreement, that party will be deemed to be in default.

13. Breach of Agreement: In the event of default by SOC in the performance of its obligations hereunder, and SOC's failure to cure such default within fifteen (15) days after receipt of written notice from City, City, at its option and without prejudice to any other remedy, may immediately terminate this Agreement.

14. Entire Agreement: This Agreement embodies the entire agreement between the Parties and supersedes all prior agreements and understandings, whether written or oral, and all contemporaneous oral agreements and understandings related to the subject matter. This Agreement may not be amended, discharged, or extended except by written instrument executed by the Parties.

15. Choice of Law; Venue: This Agreement shall be governed by the laws of the State of Texas and shall be performed entirely within Kerr County, Texas.

16. Non-Appropriation. The awarding and continuation of this Agreement is dependent upon the availability of funding. The City's payment obligations are payable only and solely from funds appropriated and available for this Agreement. The absence of appropriated or other lawfully available funds shall render this Agreement null and void to the extent funds are not appropriated, but the City will pay SOC for all services rendered prior to termination of this Agreement. City shall provide SOC written notice of the failure of the City to make an adequate appropriation for any fiscal year to pay the amounts due under this Agreement, or the reduction of any appropriation to an amount insufficient to permit the City to pay its obligations under this Agreement. In the event of non or inadequate appropriation of funds, there will be no penalty charged to the City.

17. Prohibition on Contracts with Companies Boycotting Israel. CONSULTANT hereby verifies the following per Section 2271.002, Texas Government Code:

1. CONSULTANT does not boycott Israel; and
2. CONSULTANT will not boycott Israel during the term of the Agreement.

21. Prohibition on Contracts with Companies Related to Certain Countries. Where this Agreement pertains to “critical infrastructure”, as defined by Section 2275.0101, Texas Government Code, CONSULTANT verifies (1) that it is not owned by or the majority of stock or other ownership interest of the company is not held or controlled by: (a) individuals who are citizens of China, Iran, North Korea, Russia, or other designated countries; or (b) a company or other entity, including a governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or other designated countries; or (2) headquartered in China, Iran, North Korea, Russia, or other designated countries.

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

CITY

SPANISH OAK CONSULTANTS, LLC

BY: _____
NAME: Dalton Rice
TITLE: City Manager

BY: _____
NAME: Mitchell Harrell
TITLE: Managing Partner

ATTEST:

Shelley McElhannon, City Secretary

APPROVED AS TO FUNDING:

Julie Behrens, Director of Finance

APPROVED AS TO FORM:

APPROVED AS TO CONTENT



William L. Tatsch, Asst. City Attorney

Rosa Ledesma, Interim Director of Parks and Recreation



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

CAPTION: Presentation for a Main Street City Program and full-time Manager position, including job description, and budget. *(D Sigerman, Councilmember)*

AGENDA DATE: May 27, 2025

DATE SUBMITTED: 04/27/2025

SUBMITTED BY:

EXHIBITS:

1. 20250527 Presentation Main Street Manager
2. 20250527 Present TX Downtown Assoc

Expenditure:

Account Number:

**Payment to/Vendor
name:**

Amount Budgeted:

Account Balance:

Kerrville 2050 Item?

Yes

Key Priority Area:

D – Downtown Revitalization

SUMMARY:

Presentation from Main Street Advisory Board regarding the feasibility of a full-time (FTE) position and maintaining a Main Street City Program designation for the City of Kerrville.

RECOMMENDED ACTION:

Kerrville City Council
May 27, 2025

Dear City Council:

You will find attached for presentation these considerations and facts to support hiring a full-time Main Street Manager to take Kerrville into the future as has been done in the past to get us where we are today.

First, see the three-page *history* recounting many, but not all, activities, awards, achievements, funded projects, plans, etc. that have taken place going back to 1994. It speaks for itself that while we had this full-time manager or director, things got done. Money well spent!!

Second, see the benefits of being a Texas Main Street city, quotes from other cities like Corsicana, La Grange, San Marcos. As well as the Texas Main Street's own description and explanation of the many benefits which exist.

Third, reference pages taken from the 2050 Plan which charge us with focusing on our Downtown Core, see map, by using the theory, "a healthy downtown is a healthy City" fully expecting this vitality would spread to all parts of the TIRZ.

How to Fund this person? There are many ways to fund this person starting with a portion of TIRZ money, HOT funds, grants but not sustainable, General Fund but that is probably not viable currently. There may be other sources I have not thought of but would ask the City Manager to do some research.

We appreciate your consideration and look forward to answering any questions you may have on Tuesday, May 27th's 6:00pm City Council meeting.

Respectfully,
The Main Street Advisory Board

Nichelle Gray
Genea Teer
Mr R Bester, M.D.
Sarah Lewis

Howard Taylor
Delayne Sigerman

Snapshot of Main Street Program in Kerrville

History 1994-2025

1994-2012

Description of various projects and success stories

The City of Kerrville was selected as a Texas Main Street City in 1994. The committee producing the application became the first Kerrville Mainstreet Advisory Board with Donna Jackson as President. Mindy Wendele was hired as the first director. From 1994-97 it was housed in the One Schreiner Building.

1995

Hosted Texas First Lady Laura Bush, featured in the San Antonio Express News

Launched Harvest Moon Dance (produced 9 years)

Established Holiday Christmas tour (3 years)

Convinced Kerrville Independent School District Administration & Athletics to bring THS pep rally back downtown

1996

Hosted Texas Governor George W. Bush

Designed & constructed Welcome to Kerrville sign with fountain at Sidney Baker @ Main Street. Majority of the limestone boulders were from the old Tivy Quarry.

Established the Adopt – a – Tree well program

Hosted Texas Main Street Manager three-day training.

1997-2012

Kerrville Main Street bought 715 Water Street (funded with brick sales, renovation funded out of general fund) served as the Main Street offices, downtown visitors center, public restrooms and conference room

The original district was 32 blocks of the CBD; it expanded to 37 blocks in 2002. The First Lady's building restoration – The Favorite Saloon

1997

Established Sign & Façade Grant Program

1998

Established, designed and funded street blade signs for the MS district

- 1998 Kerrville Main Street initiated project state awards recognized by the Texas Downtown Association:
- Katheen C. Cailloux Performing Arts Theater
 Union State Bank (old City Hall)
 Kerr County Abstract & Title
 Rails-A Café at the Depot
 Kerr Arts & Cultural Center
- Finalists for State awards:
 Lyndia & Bill Rector
 Franciscos
 KMS Marketing & Promotion Initiative
 Masonic Lodge (now Turtle Creek Olives & Vines)
 Schreiner Goods
- 2000 Developed a vacant building & lot database
- 2001 Recognized as a Great American Main Street City – finalist
- Established & produced annual the Holiday Parade (moved to Parks & Recreation 2013 when there was no longer a fulltime KMS Director)
- Invited to Providence, RI to speak at the annual conference of National Trust for Historic Preservation; Mindy Wendele presented “From US Post Office to Arts Center”
- 2002 Established the Cowboy Breakfast with the HCDJL Association each January
- 2003 Hosted Texas Downtown Association Board of Directors 3-day retreat
- 2004 Recognized as a Preserve American City – Advisory Council for Historic Preservation
- 2005 Established and produced Mardi Gras on Main – a celebration of fine cuisine, fine wine and fine art for the 10-year anniversary of the KMS program. Discontinued as a premier event 2013
- 2008 Became a Texas Film Friendly City recognized by Governor’s Office of Economic Development & Tourism
- Designed, constructed and **funded IH10** at SH 16 Welcome to Kerrville sign through proceeds from Mardi Gras on Main & TxDot grant

2009	Produced Main Street Moonlight Drive to raise funds for the business sign and façade improvement grants (3 years)
2010	Developed Public Art Guidelines with application; council approved
2011	Identified art installation locations for future projects
2012	Developed, designed, funded and erected the first piece of public art at the corner of Main & Earl Garrett – Mother’s Love, a James Avery design 14’ bronze statue was celebrated with Mr. Avery donating his time for the design, Peter Lewis Architect and MJ Lowe Construction participated
1994-2012	To Recap: \$60m in total reinvestment into the Main Street District 250 jobs created 300 volunteers; some for the entire time frame Countless articles in the local media Three TMS architectural visits for each year 1995,96,97 One architectural visit for each year following Mindy was multi-year speaker at Texas Downtown Association training & annual conference. Engaged in sales, installation and cataloging sidewalk brick sales

Notes from phone calls to other Mainstreet Cities

4/15/25

Corsicana, Texas Population 25,671 Mainstreet City since 1985
Amy Tidwell, Director
Budget: \$200,000 3 employees including her
Uses HOT funds

"Last year we experienced a change in how the Program enforced their regulations and we went to an affiliated status but are now back up to an Accredited status with Mainstreet's help with site visit, etc. Think the stricter rules has actually helped us"

Amy relied on Mainstreet for training when she started 4 years ago, how to create an effective survey for downtown businesses, tapped into other cities for information on market salaries and other necessities, has used Mainstreet's design team, help in revising their noise ordinance, and many other helpful resources.

La Grange, Texas Population 4,500 Mainstreet City since 1996
Caleb Parks, Manager
Budget: \$333,000 4 persons located in Visitors Center

"I rely heavily on benefits of being a Mainstreet City with access to design services for historic buildings, training our staff, reports have not been hard, and the connections I have to the other 84 cities in the Program"

Left messages with San Marcos and Mainstreet.

I would like to hear from the downtown bus. Owners and tenants on needs and wants and how Mainstreet can help with that.

San Marcus, Texas Population 80,000 Mainstreet City since 2011
Josie Salletta Budget: \$2,000,000 3 full time employees Hot/General Fund
Enterprise Zone – no
TIRZ

Josie spoke very highly of the Main Street Program and has reached out to them many times for advice on a variety of subjects including market rates for new hires and more.

Funding a Local Program and the Main Street Revitalization Effort in Texas

This document provides an overview of funding mechanisms for local Main Street programs in Texas. This document is for information only and should not be construed as legal advice. Legal advice should always be sought to ensure that uses of funding are appropriate and legal.

Why Stable Program Funding Is Important

A strong organizational structure, ongoing commitment from city leaders, and a suitably-robust budget—this is the formula for a successful downtown revitalization effort. Without these things, a program may chronically struggle or even fail.

A Main Street budget includes monies for basic operations, as well as monies earmarked for special projects and activities under the Four Point framework of economic vitality, design, promotion, and organization.

In Texas, Main Street programs receive most of their funding from local government. Many programs also seek out additional funding to supplement their budget and boost their impact.

Caution: if the organization spends the bulk of its time raising money just to support operations, it runs the risk of not being able to focus energies on achieving its revitalization goals.

Texas Main Street Structure

In Texas, Main Street programs are generally structured as follows:

- **Small city program** (under 50,000 population): the Main Street manager is an employee of the city usually reporting to the city manager. An Advisory Board and Main Street committees work with the Main Street manager to carry out the goals of the program.
- **Urban Program** (over 50,000 population): operates as a self-governing non-profit downtown revitalization organization or as a city department with an Advisory Board.

The state Main Street program does NOT fund operations of local Main Street programs. Main Street is a grass roots, self-help model: each community must fund its own program.

An Essential Piece: Local Government Support

Regardless of whether it is a small-city or self-governing, non-profit urban program, each local program needs to receive significant financial support from local government (and in some cases, the county government as well). Main Street is an appropriate use of government funds since a strong downtown contributes to the community's overall economic health and quality of life.

Recommended: Multiple Funding Sources

A local Main Street program should also seek funding from other sources. A multi-pronged approach avoids the pitfalls of an all-eggs-in-one-basket syndrome—if one funding source is reduced or goes away, the entire program won't be in jeopardy.

Regardless of the source of the funding, the local program must be accountable to its funders, demonstrating that dollars are used to achieve stated objectives.

Regular reporting is important. Progress reports to city council and city manager; updates on projects to the economic development organization; regular stakeholder meetings; annual reports to the public—all of these reporting practices can be employed to demonstrate accountability and also build excitement about the Main Street program.

Note: all funding must be used under relevant guidelines and policies. Hotel Occupancy Taxes, for example, have strict use guidelines. Legal advice should always be sought to ensure that uses of funding are appropriate and legal.

Whose Job Is It to Raise Funds?

In the non-profit (urban) Main Street programs in Texas, the governing board should take on the bulk of fundraising efforts so staff can tend to the administrative and operational aspects of their position.

In a city-based program, board leadership will not have direct responsibility for or authority over the program's operational budget, but they can still have influence over it in several ways: 1) Board members will serve as advocates for the program, ensuring adequate funding for the program through each budget cycle; and 2) Board members take leadership roles in hosting fundraising events, securing sponsors, and engaging in other fundraising efforts.

The table that follows explains various sources of funding for general operations and special programs.

Funding Sources

The Operations and Funding survey of local programs regularly done by the Texas Main Street office shows that they receive a wide-ranging mix among these sources, regardless of organizational structure. While the local Main Street program or city may not have access to all of these sources of funding, it is still important that the program manager be aware of them as possible resources for the revitalization effort.

Type	Notes
Local government	Most often, the bulk of a city-based program's operational funding will come from its local municipality. In many cases, funding for special projects will also come from these municipal sources. Funding may come solely from the city's general fund or may be combined with other local sources under the municipal umbrella such as Hotel Occupancy or Economic Development sales taxes (explained below).
Economic Development Sales Taxes	Type A and Type B. Promotes the public purpose of economic development as allowed under state law. The use of these funds for Main Street projects and activities, depends on a variety of factors such as the Act itself, the type of tax adopted locally, the ballot language under which it was adopted locally (adoption requires a local election) and the specific economic development expenditures, activities and projects of the Main Street program. Type B EDCs in cities with a population of 20,000 or less can fund projects that promote new or expanded business development that not creating, retaining primary jobs. Texas Local Government Code, chapters 501, 504, 505
Hotel Occupancy Tax (HOT)	The purpose of HOT is to promote tourism and the convention and hotel industry. By showing the ability of their revitalized downtown to attract overnight visitation & hotel stays, many local Main Street programs receive HOT funding. Allowable categories include historic preservation that promotes tourism and the arts. Certain percentages of HOT collections can also be used for marketing materials and marketing operations. Texas Tax Code
Certified Local Government Program (CLG)-Texas Historical Commission and National Park Service	For protection of historic resources by identifying local priorities, meeting recognized historic preservation standards and providing access to financial and technical services to further the identification, evaluation, designation and protection of buildings, sites, districts, structures, and objects. Grants to designated communities or counties + external services to local program.
Main Street Revitalization Grant-Texas Department of Agriculture	Funds major infrastructure improvements in downtown, not local program operations. Since this partnership was created between the Department of Agriculture and the Texas Main Street Program/Texas Historical Commission in 1993, approximately \$20 million from the TCF has been awarded to designated Main Street programs. Eligible applicants are "nonentitlement" communities; these are located primarily in rural areas and are cities with populations less than 50,000. TCF Main Street Improvement Grant Garage?
Special districts/actions	Some communities fund downtown capital projects and improvements through locally held bond elections. Special assessment/districts such as a Downtown Management District (DMD), Municipal Management District (MMD), Public Improvement District (PID) or a Tax Increment Financing/Tax Increment Reinvestment Zone (TIRZ). Outlined in various municipal planning chapters of the Local Government Code /370-380 and in the Texas Tax Code, Chapter 311 (TIRZ). Local Government Code, Chapter 380 authorizes a municipality to offer incentives for commercial and retail projects. Property Tax Abatements. Allows property tax exemptions or reductions. Can be available for improvements made to historic buildings if an abatement program has been adopted at the local level. Texas Tax Code, Chapter 312 .
Preservation Tax Credits	State and federal tax credit incentives for the owners of historic properties. Texas Historical Commission . Also see National Register of Historic Places and Secretary of the Interior Standards for the Treatment of Historic Properties .
Other important public programs for property redevelopment in the historic downtown	Americans with Disabilities Act (ADA) tax credits Brownfields Site Assessment (BSA) programs- grants for cleanup of contamination that could have occurred in a historic property from a past use. Environment Protection Agency and Texas Commission on Environmental Quality

	Low-Income Housing Tax Credits. Texas Department of Housing and Community Affairs. Lenders/Loan products. Small Business Administration. See Funding Programs and Local Assistance/Small Business Development Centers, SCORE. The state membership organization for local community banks is the Independent Bankers Association of Texas.
Other funding and fundraising resources	The Texas Main Street Program offers local property owners access to a zero-interest revolving loan fund in partnership with MSA and the 1772 Foundation. Anice Read Fund, administered by Texas Downtown. The fund was created in 1999 to honor the legacy of Anice Read, the first coordinator of the Texas Main Street Program and champion of downtown revitalization. Grants have been awarded for small business workshops, public art, streetscape projects, historic resource surveys, and other initiatives. Award amounts range from \$500 to \$5,000. T-Mobile Grant, offered by T-Mobile in partnership Main Street America and Smart Growth America. Launched in 2021, the T-Mobile grant programs is a 5-year initiative to support small towns. Quarterly application process. Up to \$50,000 for community development projects spanning technology, education, environment, and health care. Main Street America, the national partner of Texas Main Street, sometimes offers special-purpose grants general awarded directly to businesses in the district or to local Main Street programs. National Trust for Historic Preservation also has a variety of grant programs for historic properties and projects. <u>Foundation grants:</u> A local Main Street program can also sometimes access grants from local, regional statewide or national private foundations that focus on certain project types such as community development or historic preservation. <u>Memberships/Sponsorships/Donations:</u> Some Main Street Programs create tax-exempt (c)(3) structures under the Internal Revenue Service to accept tax deductible donations or allow for membership dues or sponsorships. To increase the chances of a successful (c)(3) application, a qualified tax attorney should be consulted. <u>Fundraising Events & Sponsorships:</u> Most local Main Street programs put on events to help realize their goals and those of their stakeholders as well as being a means of increasing visitation to downtown. <u>Local Partnering Organizations</u>, such as a chamber of commerce or downtown merchants association, may help raise funds or support activities of the Main Street program as a way of contributing to the revitalization effort.

TEXAS MAIN STREET PROGRAM

Local Main Street Communities as of January 2025

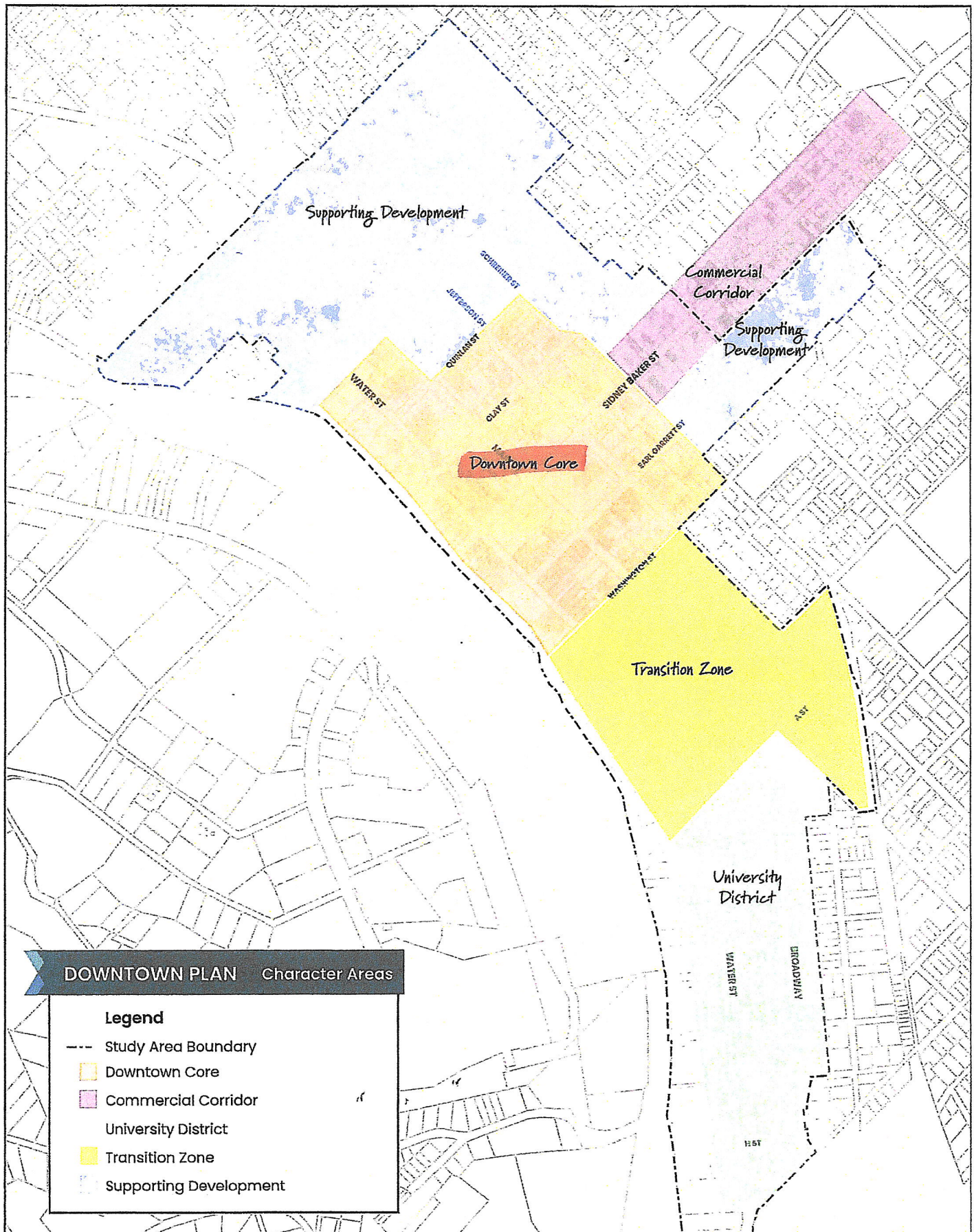
The Texas Main Street Program (TMSP) provides technical expertise, resources, and support to Main Street communities in Texas in accordance with the Main Street America's Four Point Approach® that focuses on organization, economic vitality, design, and promotion. Using a team-centered approach, the TMSP strives to understand the challenges facing Texas' 81 designated programs to help each reach their revitalization and preservation goals. Main Street is a powerful tool for reviving local economies and bringing communities together to forge their future. Local program participants are listed below.

Amarillo	Decatur	Kerrville	Pittsburg
Bastrop	Del Rio 49,877	✓Kingsville 26,213	Plainview
Bay City	✓Denison 24,343	✓La Grange 4500	Rio Grande City
Beaumont	Denton	Laredo	Rockwall
Beeville	✓Eagle Pass 29,689	Levelland	Royse City
Brenham	Elgin	Livingston	San Angelo
Bridgeport	Ennis	Llano 3,511	San Augustine
Brownsville	Freeport	Longview	✓San Marcos 71,569
Buda	Georgetown 96,312	Luling	Sequin ✓
Caldwell	Goliad	Marshall	✓Sherman - EDC \$2,000,000
Canton	Gonzales	McKinney 213,509	Stephenville
Canyon	Grand Saline	Mesquite	Taylor
Carthage	Grapevine	Mineola	Texarkana 37,679
Celina 43,317	✓Greenville 32,717	Mineral Wells	Tyler
Clarksville	Hamilton	Mount Pleasant	Uvalde
Clifton	Harlingen	Mount Vernon	Vernon
✓Conroe 108,248	Henderson	Nacogdoches 33,932	Victoria
Corpus Christi	Hillsboro	Palestine	Waco
✓Corsicana 25,671	Houston—Emancipation Ave.	Paris	Waxahachie
Cotulla	Huntsville	Pilot Point	Winnsboro
Cuero			

First Street is the first step to Main Street

The First Street Initiative is an educational effort for communities interested in learning more about downtown revitalization. Participation in First Street is also the first step for communities interested in pursuing entry to the Texas Main Street Program. For more information, contact firststreet@thc.texas.gov.

Figure 17 Character Areas



D7

GUIDING PRINCIPLE: Encourage reinvestment in Downtown businesses by identifying and addressing regulatory hurdles and providing incentives to attract development consistent with the community's vision.

The goal of the public sector is not to inhibit or stymie growth and innovation, but to support development and guide it in a way that is most sensible to the long-term goals of the community. Identifying and amending problematic regulations, when necessary, will help position the City for success as it looks to attract new investment. Unique projects should be considered on a case-by-case basis, and incentives should be considered for qualifying developments.

- ✓• Create a tax increment reinvestment zone (TIRZ) for the Downtown to support revitalization. Tax Increment Reinvestment Zones are popular policy tools that reinvest captured revenue streams into specific geographical areas within a community (the Tax Increment Finance or TIF district). These revenues typically come from rising property taxes, often in areas of town where appreciation is historically high or where new investment is occurring. Downtown Kerrville would be well-suited for this strategy, and the new TIF revenues could be used to fund public improvements within the district to prepare the area for new businesses and housing.
- Hire City staff to support Downtown revitalization, along with economic development and housing initiatives. In order to achieve the community's goals for Downtown, and the city more generally, Kerrville will need professional staff dedicated specifically to this purpose. This staff person would ideally support multiple government functions, including economic development and housing policy. Placemaking, planning, research, marketing, and digital media could all be a part of the job, and a particular focus on Downtown would be an important aspect of the position.
- Encourage businesses that close at 5 p.m. to stay open longer in an effort to attract after-hours traffic. A targeted marketing campaign aimed at Downtown businesses could help turn Kerrville from a predominantly 9-to-5 city to one that includes an active nightlife. Not every business needs to stay open for extended hours, but Downtown could use more after-hours activities. Retail and restaurant establishments, in particular, could cater to employees leaving work in the late afternoon and early evening. It is also important to note that after-hours businesses tend to support each other. For example, people planning to attend a concert or play will patronize restaurants and bars before and/or after the performance, and shoppers will stay Downtown for dinner or a drink if they have the option to do so. Businesses with extended hours are also important as an amenity for tourists or conference attendees and for people considering a move to Downtown living.

- Look into the possibility of providing alternative transportation services, such as a tram, for transport back and forth across the river and/or a trolley system to serve the Downtown area. The level of activity, the desires of the community and the Community Priority seeking to improve the tourism infrastructure in Kerrville all suggest that the time has come to examine options for specialized mass transportation services and circulators, such as the development of a tram or trolley system in the long term. These options could prove popular with visitors as well as locals, who may opt to use them on their daily commute or for business or recreational purposes. A partnership might be developed involving the City, Downtown businesses, the Alamo Area Council of Governments and others to provide this service.

D6

GUIDING PRINCIPLE: Promote preservation and reinvestment in single-family and historic components in the areas around and near Downtown.

Single-family homes are the predominant land use type in Kerrville and the historic structures located around the City center lend context and character to the retail corridors in the core. These uses are not competitive or exclusive, but rather complementary of one another. Existing single-family structures could be preserved and enhanced for continued residential uses, particularly given the lack of housing options in Kerrville, or they might provide excellent opportunities for preservationist redevelopment, housing art galleries, restaurants, boutiques and other service-oriented, tourist-attracting commercial uses.

- Offer incentives, tax rebates and abatements for specific desired improvements, such as sidewalks or improvements to dilapidated structures. The sole Action Item under this Guiding Principle is to develop a set of policies that incentivize Downtown investment, particularly with regard to deteriorated buildings and blocks. Financial incentives are strong motivators for the rehabilitation, enhancement, preservation and adaptive reuse of structures and infrastructure. These policies will encourage property owners, tenants and residents alike to maintain and improve residential structures, historic assets and other improvements in and near Downtown.

D7

GUIDING PRINCIPLE: Encourage reinvestment in Downtown businesses by identifying and addressing regulatory hurdles and providing incentives to attract development consistent with the community's vision.

The goal of the public sector is not to inhibit or stymie growth and innovation, but to support development and guide it in a way that is most sensible to the long-term goals of the community. Identifying and amending problematic regulations, when necessary, will help position the City for success as it looks to attract new investment. Unique projects should be considered on a case-by-case basis and incentives should be considered for qualifying developments.



- **Continue Utilizing the Tax Increment Reinvestment Zone (TIRZ) for Downtown Revitalization.** Leverage the existing TIRZ to support the ongoing revitalization of Downtown Kerrville. Tax Increment Reinvestment Zones are effective policy tools that reinvest captured revenue

streams—primarily from rising property taxes—into designated areas within the community. Given Downtown’s potential for appreciation and new investment, the TIRZ can be a vital resource. Continued use of TIF revenues can fund essential public improvements within the district, enhancing the area’s appeal to new businesses and housing developments.

- Hire a Main Street Director to support Downtown initiatives. Recruit a dedicated Main Street Director to support the revitalization of Downtown and advance economic development and housing initiatives. To achieve the community’s goals for Downtown and the City as a whole, it is essential to have a professional staff member focused specifically on these objectives. This role would encompass a variety of functions, including economic development, housing policy, placemaking, planning, research, marketing and digital media. A strong emphasis on Downtown revitalization would be a key aspect of the position, ensuring a cohesive and targeted approach to enhancing the area’s vitality.
- ✓ Encourage businesses that close at 5 p.m. to stay open longer in an effort to attract after-hours traffic. A targeted marketing campaign aimed at Downtown businesses could help turn Kerrville from a predominantly 9-to-5 City to one that includes an active nightlife. Not every business needs to stay open for extended hours, but Downtown could use more after-hours activities. Retail and restaurant establishments, in particular, could cater to employees leaving work in the late afternoon and early evening. It is also important to note that after-hours businesses tend to support each other. For example, people planning to attend a concert or play will patronize restaurants and bars before and/or after the performance, and shoppers will stay Downtown for dinner or a drink if they have the option to do so. Businesses with extended hours are also important as an amenity for tourists or conference attendees and for people considering a move to Downtown living.

D8

GUIDING PRINCIPLE: Encourage reinvestment in Downtown in the form of vertical mixed use development, including residential uses.

Downtown should be relatively dense, accessible and completely walkable. If guided properly, vertical development can guard against sprawl, environmental degradation and unsustainable outward expansion. Instead, it can promote a mix of uses and cultivate that “small town Main Street” feel the community wants to maintain.

- Encourage more vertical development and development that brings residential living to Downtown. Much of Downtown is still flat, with many one-story structures dotting the central landscape and buildings over two stories being the exception rather than the rule. While Kerrville should actively encourage taller buildings as an alternative to urban sprawl, it is important to consider preservation of river view sheds with new development. This approach will help protect the surrounding environment, prevent the encroachment of incompatible development into neighborhoods with historic character and provide affordable housing options for residents.

Character Areas

Downtown Kerrville spans a large area, making it essential for the City to focus efforts strategically to maximize impact. Public investment and activity should be concentrated in key locations rather than spread too thin. Many of these areas are already established and should be expanded or redeveloped, while other areas can serve as transitions or provide supporting uses. To guide this approach, character areas define where different types of activity, development and investment levels are most appropriate. Basic descriptions are provided below, while additional details are provided on the following pages.

Downtown Core

The Downtown Core is historically the few blocks along Earl Garrett Street and Water Street that contain many historic and other assets, including City Hall and the County Courthouse. New businesses and redevelopment opportunities are already organically expanding the downtown experience west of Sidney Baker Street, so the core should be expanded accordingly. **This is the area that we expect the highest rate of investments to happen from the City's end.**

Commercial Corridor

The Commercial Corridor is made up of the blocks on either side of Sidney Baker Street and extends beyond the formal boundary of the downtown study area. There are only a few blocks of this character area within the study area, which are characterized by typical corridor commercial businesses.

Supporting Development

Supporting Development character areas are locations surrounding the core where the City will have more minimal investment. Allowing for a variety of uses, development in these areas will be primarily dictated by the market.

Transition Zone

This area exists between the University District and the Downtown Core. It will function mostly in the same way as the Supporting Development areas, but with the allowance for some higher density development.

University District

The University District is the southern portion of the downtown study area that connects the core to Schreiner University. Currently, this area is identified for Entertainment Mixed Use and zoned for Mixed Use (MU), but that has proven a difficult use to make work in this area. The intent of this area is to allow for a wide variety of land uses from residential to industrial with the goal of creating a diverse district that connects Downtown and Schreiner University, both physically and programmatically. Along with typical downtown uses such as food and beverage, commercial and retail spaces, additional "innovation" uses should be encouraged, such as flex industrial, R&D uses, artist studios, makers and incubator spaces. This allows for more functional and affordable spaces that supplement the arts and cultural focus of the Downtown Core as well as provides space for startup business that may include Schreiner students.



P.O. Box 203455 Austin, Texas 78720-3455

October 10, 2005

For Immediate Release

More Information:

Debra Farst, Association Coordinator

Texas Downtown Association

512-472-78332 or info@texasdowntown.org

AUSTIN—Two Kerrville nominations have been named finalists for the 2005 Texas Downtown Association (TDA) Awards program, which celebrates the best projects, people and places in Texas downtowns. **Kerr County Abstract & Title** is recognized in the **Best Physical Improvement** category, and **Cricket's and Hill Country Living** is recognized in the **Enduring Downtown Business** category. The awards program has been held for more than a decade in conjunction with the Annual Conference co-sponsored by TDA and the Texas Main Street program.

Since 1998, more than 90 projects, events and people in downtowns across Texas have received statewide recognition from TDA for their efforts. Entries are judged in five categories: Physical Improvement, Spirit Awards, Downtown Management, Enduring Downtown Business, and Newcomer.

The entries were submitted by the City of Kerrville and Kerrville Main Street.

Kerr County Abstract & Title was originally a private home built in 1935, but it had fallen into a state of disrepair. It was purchased by Diane and Bob Green in 2004 to house their title company.

-more-





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

CAPTION: Tivy Mountain Cemetery. (*J Herring, Mayor and D Rice, City Manager*)

AGENDA DATE: May 27, 2025

DATE SUBMITTED: 05/19/2025

SUBMITTED BY:

Dalton Rice, City Manager

EXHIBITS:

None

Expenditure:

Account Number:

**Payment to/Vendor
name:**

Amount Budgeted:

Account Balance:

Kerrville 2050 Item?

No

Key Priority Area:

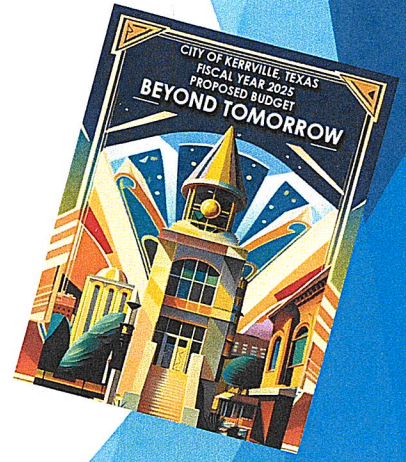
SUMMARY:

To discuss the city of Kerrville's ownership and path forward regarding maintenance and upkeep to honor those buried in Tivy Mountain Cemetery.

RECOMMENDED ACTION:

Financial Update FY2025

City Council Meeting
May 27, 2025



General Fund

GENERAL FUND						
Period Ended April 30, 2025						
	FY2025 Budget	FY2025 YTD BUDGET ESTIMATE	FY2025 YTD ACTUAL	FY2025 Estimated Better/Worse than Budget	FY2024 YTD Actual	Change from FY2024
REVENUES						
Property Tax	12,978,331	12,264,523	12,271,077	6,555	11,853,364	417,713
Sales Tax	10,210,111	5,896,339	5,814,657	(81,682)	5,762,077	52,580
Franchise Fees	2,094,800	902,859	854,553	(48,306)	857,325	(2,772)
Total Taxes	25,283,242	19,063,721	18,940,287	(123,434)	18,472,766	467,520
Permits and Fees	197,300	123,115	116,439	(6,677)	119,538	(3,099)
Intergovernmental Revenue	1,986,967	1,331,268	1,342,792	11,524	1,403,269	(60,477)
Service Revenue	6,153,594	3,353,709	3,429,080	75,371	3,140,430	288,650
Recreation Revenue	1,120,016	602,569	518,626	(83,942)	948,511	(429,884)
Fines and Forfeitures	369,359	218,661	172,243	(46,417)	205,953	(33,710)
Grant & Donation Revenue	44,800	23,699	26,630	2,931	14,153	12,477
Interest and Miscellaneous	961,350	504,709	562,886	58,177	622,801	(59,915)
Operating Transfer In	3,294,126	2,234,074	2,234,074	-	1,406,917	827,157
TOTAL REVENUES	\$ 39,410,754	\$ 27,455,523	\$ 27,343,055	\$ (112,468)	\$ 26,334,337	\$ 1,008,719
EXPENDITURES						
Personnel	28,686,083	16,422,783	16,319,409	103,373	15,596,663	722,746
Supplies	1,698,847	956,451	857,045	99,406	1,028,843	(171,798)
Maintenance	4,229,961	2,068,451	2,048,374	20,077	1,735,886	312,487
Services	2,998,287	1,930,897	1,958,385	(27,488)	1,882,479	75,906
Other Expenses	741,304	504,087	355,579	148,508	291,175	64,403
Capital Outlay	-	123	123	-	-	123
Operating Transfers Out	1,056,271	616,158	616,158	-	1,456,667	(840,509)
TOTAL EXPENDITURES	\$ 39,410,754	\$ 22,498,948	\$ 22,155,072	\$ 343,877	\$ 21,991,712	\$ 163,359

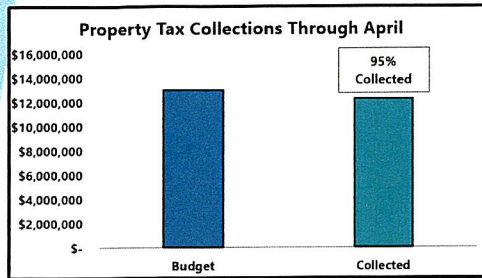
Revenues:

- Property Tax 95% Collected - Slightly behind budget estimate
- Sales Tax \$82K worse than YTD estimate
- Franchise Fees slightly behind budget estimate primarily due to KPUB revenue shortfall

Expenses:

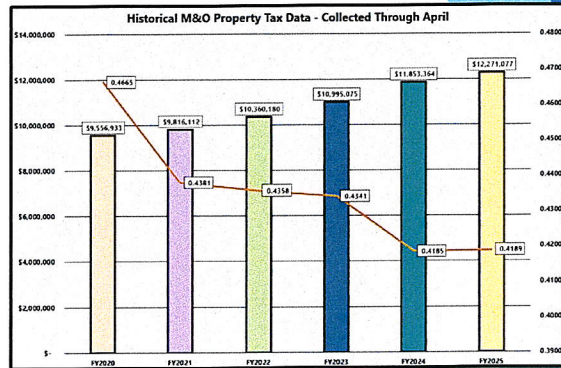
- Personnel: Better than estimate (this includes salaries, benefits, training)
- Expect to spend all streets maintenance dollars in FY2025

M&O Property Tax

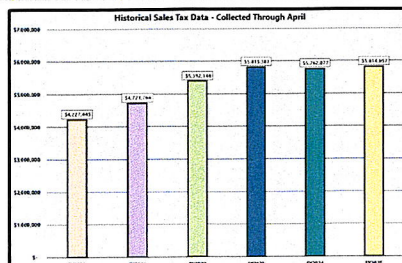
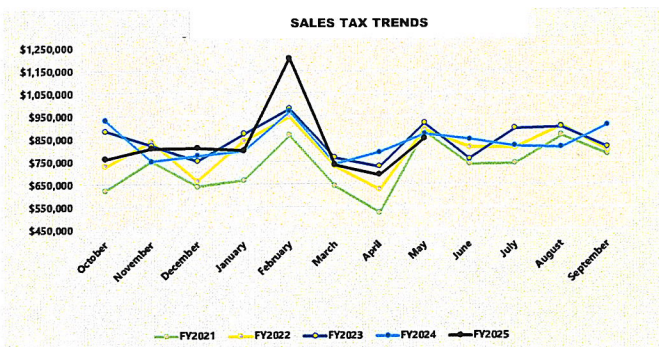


- Average property tax collections (5 year history) 95% through April
- Current collections 95%
- Tracking close to budget estimate

- Revenue & rate history in graph to right
- Lower tax rates have generated higher revenues due to growth in valuation & number of new residential and commercial properties

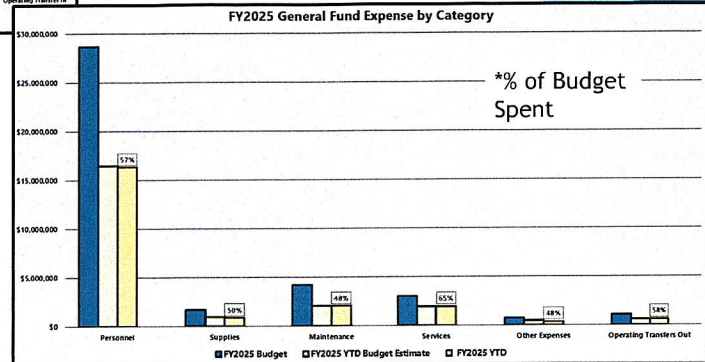
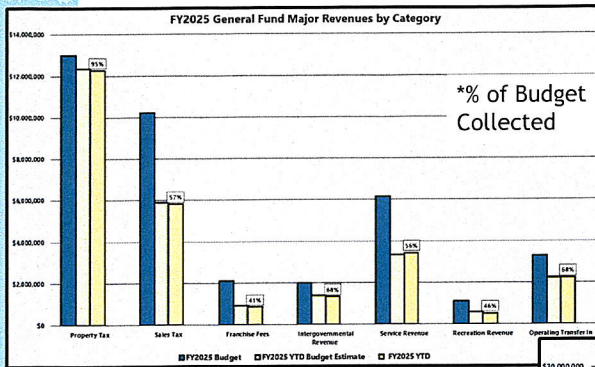


Sales Tax



Recap:

- FY2025 Budget 3% lower than FY2024 Budget
- FY2024 Actuals missed budget by \$618K
- Currently \$82K behind FY2025 Budget Estimate
- Sales Tax FY2025 vs FY2024
 - October 18% behind
 - November up 8%
 - December up 4%
 - January up 1%
 - February up 24% (excluding audit payments up 7%)
 - March down 1%
 - April down 13%
 - May down 2% *(not included in graph)



Water Fund

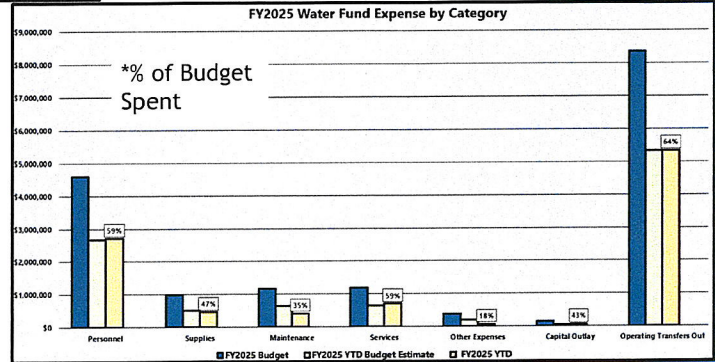
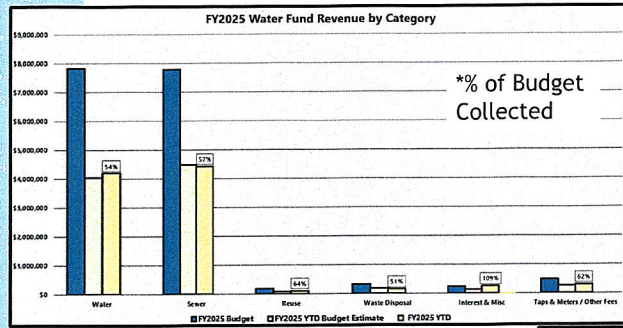
WATER FUND - BUDGET SUMMARY FY2025						
Period Ended April 30, 2025						
	FY2025 Budget	FY2025 YTD BUDGET ESTIMATE	FY2025 YTD ACTUAL	FY2025 Estimated Better/Worse than Budget	FY2024 YTD Actual	Change from FY2024
REVENUES						
Water	7,816,830	4,041,301	4,199,466	158,165	3,373,753	825,713
Sewer	7,783,678	4,452,264	4,430,937	(21,327)	3,976,282	454,655
Reuse	175,000	79,975	111,457	31,482	79,059	32,398
Waste Disposal	319,000	182,149	161,580	(20,569)	171,050	(9,470)
Interest & Misc	238,917	147,412	261,526	114,114	265,920	(4,394)
Taps & Meters / Other Fees	493,540	266,018	307,690	41,672	204,383	103,307
Total Revenue	\$ 16,826,965	\$ 9,169,119	\$ 9,472,656	\$ 303,537	\$ 8,070,447	\$ 1,402,209
EXPENDITURES						
Personnel	4,600,157	2,691,092	2,712,134	(21,042)	2,435,339	276,795
Supplies	982,713	503,149	461,351	41,798	437,771	23,580
Maintenance	1,163,809	637,767	407,940	229,827	369,919	38,021
Services	1,184,295	648,994	700,323	(51,329)	686,649	13,674
Other Expenses	386,354	211,336	69,468	141,867	64,318	5,150
Capital	148,980	44,694	64,138	(19,444)	92,662	(28,524)
Operating Transfers Out	8,360,657	5,338,302	5,338,302	-	4,483,279	855,023
Total Expenditures	\$ 16,826,965	\$ 10,075,333	\$ 9,753,656	\$ 321,677	\$ 8,569,937	\$ 1,183,720

Revenues:

- Water: \$158K better than YTD estimate and \$826K better than FY2024
 - For comparison, April FY2024 was behind budget by \$453K
- Sewer \$21K behind YTD estimate but \$455K better than FY2024
- Updated water / wastewater model is aligning with budget

Expenses:

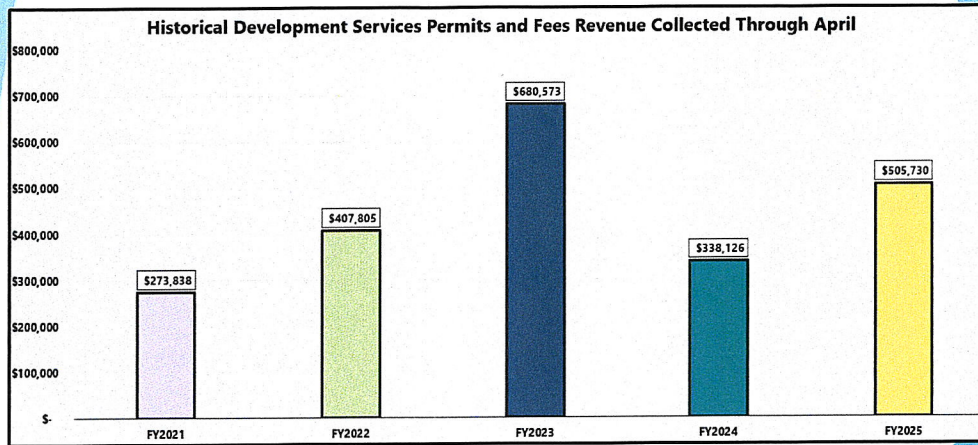
- Personnel \$21K behind budget estimate
 - Seeing a shortfall on group health compared to budget
- Transfer out higher than FY2024 due to increase in sustainability transfers to CIP & Asset Replacement, increase in Debt Service



Development Services

DEVELOPMENT SERVICES FUND						
Period Ended April 30, 2025						
	FY2025 Budget	FY2025 YTD BUDGET ESTIMATE	FY2025 YTD ACTUAL	FY2025 Estimated Better/Worse than Budget	FY2024 YTD Actual	Change from FY2024
REVENUES						
Permits & Fees	756,605	441,328	505,730	64,402	338,126	167,604
Interest & Misc	1,000	583	11,487	10,904	1,981	9,506
Transfers-In	382,839	223,322	223,322	-	156,431	66,891
Total Revenue	\$ 1,140,444	\$ 665,233	\$ 740,539	\$ 75,306	\$ 496,538	\$ 244,001
EXPENDITURES						
Personnel	1,015,191	593,887	601,101	(7,214)	621,058	19,957
Supplies	11,134	6,268	4,742	1,527	6,211	1,469
Maintenance	39,282	19,209	22,613	(3,404)	19,337	(3,276)
Services	71,235	45,875	45,652	223	41,627	(4,026)
Other Expenses	3,601	2,449	878	1,571	2,488	1,610
TOTAL EXPENDITURES	\$ 1,140,442	\$ 667,688	\$ 674,985	\$ (7,297)	\$ 690,720	\$ 15,735

Development Services



Hotel Occupancy Tax

HOTEL OCCUPANCY TAX FUND						
Period Ended April 30, 2025						
	FY2025 Budget	FY2025 YTD BUDGET ESTIMATE	FY2025 YTD ACTUAL	FY2025 Estimated Better/Worse than Budget	FY2024 YTD Actual	Change from FY2024
REVENUES						
Taxes	1,684,651	\$ 901,288	737,252	(164,036)	\$ 904,437	(167,185)
CAP Grant	100,000	100,000	100,000	-	150,000	(50,000)
Interest & Misc	104,768	61,080	50,953	(10,126)	362,071	(311,118)
Total Revenue	\$ 1,889,419	\$ 1,062,368	\$ 888,206	\$ (174,162)	\$ 1,416,508	\$ (528,303)
EXPENDITURES						
Personnel	-	-	1,542	(1,542)	-	1,542
Supplies	-	-	44	(44)	-	44
Maintenance	3,118	3,118	3,118	-	2,969	148
Services (including CVB)	1,599,757	815,095	815,095	-	810,126	4,969
Other (including events)	265,000	85,000	83,915	1,086	396,540	(312,625)
Transfers Out to General Fund	112,000	65,333	65,333	-	49,583	15,750
Transfers Out to Library	-	-	-	-	-	-
Memorial (HHHC Transfer)	1,000,000	-	-	-	-	-
TOTAL EXPENDITURES	\$ 2,979,875	\$ 968,546	\$ 969,046	\$ (500)	\$ 1,259,218	\$ (290,172)

Revenues:

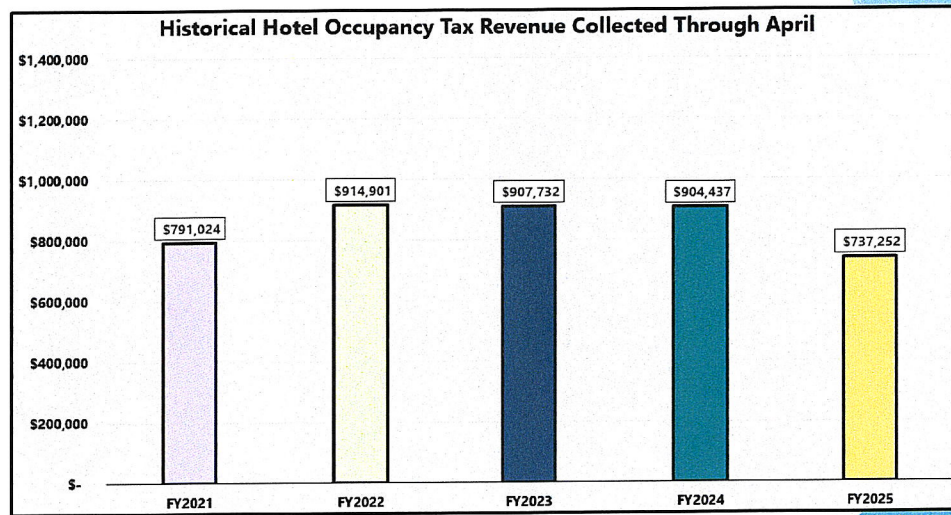
- Taxes \$164K behind YTD estimate
- Year 2 of 3 for Community Art Program (KCVB)
 - Partially funded by a grant from the Community Foundation of the Texas Hill Country

Expenses:

- In line with budget estimate,
- Transfer to HHHC will be completed as cash is needed for project - expected to occur in FY2025.

FY2026 Budget:

- Likely to proposed 10-15% reduction in revenues for FY2026, based on current trends.



FY2026 Budget Progress

- Completed most internal budget meetings
- Departments continuing to look for savings - efficiencies
- Working through asset replacement needs / funding sources
- Updating water/wastewater models
- Proactive planning for future maintenance & CIP

Finance Tentative Schedule of Activities

June 17 City Council Budget Workshop
July 15 City Council Budget Workshop
August 6 City Council Budget Workshop
August 12th Presentation of Proposed Budget
Resolution to set proposed tax rate
September 9th First reading of proposed budget & tax rate
September 23rd Second reading of proposed budget & tax rate



QUESTIONS / FEEDBACK

