

**CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION**  
**REGULAR MEETING** **May 20, 2013**

On Monday, May 20, 2013, the meeting of the directors of the City of Kerrville, Texas Economic Improvement Corporation, was called to order at 4:02 p.m. by David Wampler, President, in the City Hall Council Chambers, 701 Main Street, Kerrville, Texas.

**Members Present:**

David Wampler, President  
Kenneth Early, Vice President (arrived at 4:06 pm)  
Rex Boyland, Secretary  
Gary Cochrane  
Larry Howard  
Stacie Keeble  
Polly Rickert

**Members Absent:** None

**City Executive Staff Present:**

Todd Parton, City Manager  
Kristine Ondrias, Assistant City Manager  
Mike Hayes, City Attorney  
Cheryl Brown, Deputy City Secretary  
Mike Erwin, Director of Finance  
Sandra Yarborough, Assistant Director of Finance  
Sai Vongchampa, Budget/Purchasing Manager  
Ashlea Boyle, Special Projects Coordinator  
Malcolm Matthews, Director of Parks and Recreation  
Kimberly Meismer, Director of General Operations

**Visitors Present:** Visitor list available in the City Secretary's Office for the required retention period.

Jonas Titas, Executive Director of the Kerrville Economic Development Corporation

**INVOCATION:** Given by Mr. Howard.

1. **VISITORS/CITIZENS FORUM:** No one spoke.
2. **APPROVAL OF THE MINUTES:**
  - 2A. Minutes of the regular meeting held April 15, 2013. Mr. Howard moved for approval of the minutes of April 15, 2013; Ms. Keeble seconded, and the motion passed 7 to 0.
3. **MONTHLY REPORTS:**
  - 3A. Monthly financials for April 2013: Mr. Vongchampa reported on the April 2013 financials. The sales tax fund received \$230,498.00, which was a 16% increase over last year. The expenditures for March totaled \$89,627.00, for a net

increase of \$116,697.00. The ending cash balance for April, 2013 was \$1,947,293.00. He reported on the sales tax debt service fund, and the capital projects fund. He presented a sales tax comparison between several cities of different sizes in the state of Texas and Kerrville for the month of April, as well as a break-down of the River Trail project expenditures and funding sources, EIC investments and funding agreements.

3B. Capital projects update. Mr. Parton reported:

Harper Highway Project Phase II: The installation of vegetation was complete, and city staff would draft a budget amendment to reallocate the remaining funds back to EIC, approximately \$360,000.00.

Golf Course Improvements (Pavilion and Parking Lot Projects): The punch-list was completed, and the dedication was scheduled for Friday, May 24, 2013.

Downtown Utility Improvement Project: Mr. Wittler, with KPUB, reported they were waiting for the telephone companies to finish their work, and when that was completed, KPUB would complete their work within a few days.

3C. Update regarding "Go" Team activities.

Ms. Boyle reported that the "Go" Team met on May 7, 2013, to review the application from the Hill Country Quilt Guild, which was found to qualify partially for 4B funding. They also met on May 13, 2013, to review the application from Playhouse 2000, which was found to qualify for 4B funding.

3D. Update on River Trail and Parks projects.

Mr. Matthews reported that staff was working on obtaining easements associated with Packages B and F. An appraiser was engaged to begin the final appraisal on possibly as many as four properties. Package B was under contract for design, but the site plan was not ready due to scope and location issues for some of the components, but hoped to have a design package ready for staff review in early June. He said both Package B and Package F should be constructed within the same time frame, as they were in different geographic areas and probably different contractors. Louise Hays Park was expected to close mid-July, and was to be closed for approximately eighteen months.

3E. Kerrville Economic Development Corporation (KEDC) Update regarding KEDC Activities.

Jonas Titas reported that he was working with a manufacturer and a trucking company, regarding possible new business opportunities; he was working with city staff to draft the 4B Sales Tax Funding Guidelines and Procedures, and he was working on a presentation for business retention and expansion to be presented to the EIC at a future meeting.

**4. PUBLIC HEARINGS AND POSSIBLE ACTION:**

**4A. Economic development grant agreement between Kerrville's 4<sup>th</sup> on the River and the City of Kerrville Economic Improvement Corporation.**

Ms. Boyle reported that the funding agreement had been drafted pursuant to the EIC's instructions at the last meeting.

Mr. Wampler opened the public hearing at 4:23 p.m. No one spoke, and the public hearing was closed at 4:23 p.m.

Mr. Early moved that the funding agreement be approved as written. Mr. Howard seconded, and the motion passed 7-0.

**4B. Economic development grant agreement between Texas Hill Country Wine and Brew Festival and the City of Kerrville Economic Improvement Corporation.**

Ms. Boyle reported that the funding agreement had been drafted pursuant to the EIC's instructions at the last meeting.

Mr. Wampler opened the public hearing at 4:27 p.m., and the following person spoke:

Robert Naman spoke in opposition to the funding agreement.

The public hearing was closed at 4:31 p.m.

Mr. Howard moved that the funding agreement be approved with the Texas Hill Country Wine and Brew Festival. Ms. Keeble seconded, and the motion passed 7-0.

**4C. Economic development grant agreement between the Texas Folk Music Foundation dba Kerrville Folk Festival and the City of Kerrville Economic Improvement Corporation.**

Ms. Boyle reported that the funding agreement had been drafted pursuant to the EIC's instructions at the last meeting.

Mr. Wampler opened the public hearing at 4:34 p.m. No one spoke, and the public hearing was closed at 4:34 p.m.

Mr. Boyland moved to approve the funding agreement as written. Mr. Early seconded, and the motion passed 7-0.

**4D. Economic development grant agreement between the Kerrville Area Chamber of Commerce and the City of Kerrville Economic Improvement Corporation.**

Ms. Boyle reported that the funding agreement had been drafted pursuant to the EIC's instructions at the last meeting. The event took place on May 17-19, 2013.

The following person spoke: Denny Foster gave an update of the event's revenue and expenditures for the event and he noted that more people were in

attendance than in previous years; he estimated attendance at approximately 3,300.

Mr. Wampler opened the public hearing at 4:36 p.m. No one spoke, and the public hearing was closed at 4:36 p.m.

Mr. Howard moved to approve the funding agreement as written. Mr. Boyland seconded, and the motion passed 7-0.

## **5. CONSIDERATION AND POSSIBLE ACTION:**

### **5A. Funding request from Hill Country Quilt Guild.**

Ms. Boyle reported that the "Go" Team received a funding request in the amount of \$2,700.00, which included \$1,000.00 to rent the facility and \$1,700.00 for judges' expenses. The amount of \$1,000.00 was found to qualify for funding, but the \$1,700.00 did not qualify.

This item was deferred to executive session.

### **5B. Funding request from Playhouse 2000, Inc.**

Ms. Boyle reported that the "Go" Team received a funding request from Playhouse 2000, Inc. for improvements to the Cailloux Theater and the "VK Garage" area in the amount of \$1,068,652.00. Improvement would include interior and exterior lighting, a facility addition and outdoor staging, modular seating risers, and roof improvements to the VK Garage area. The "Go" Team determined that, since the Cailloux Theater was owned by the City of Kerrville, some of the improvements would be the City's responsibility, in the amount of \$300,652.00; and Playhouse 2000, Inc. responsible for \$768,000.00.

The following persons spoke:

1. Jeffrey Brown, Executive Director for Playhouse 2000, Inc., gave a presentation that detailed the proposed improvements to both the Cailloux Theater and the VK Garage area.
2. Mr. Gene Smith spoke in favor of the funding agreement.

This item was deferred to executive session.

### **5C. Guidelines and Procedures for 4B Sales Tax Funding Requests.**

The board discussed the guidelines and procedures that were presented by Mr. Parton.

Mr. Boyland moved to defer final approval of this item until City all revisions were made and a final document had been prepared and emailed to EIC members. Mr. Howard seconded, and the motion passed 7-0.

## **6. EXECUTIVE SESSION:**

Mr. Howard moved that the EIC go into executive closed session under Section 551.071 (consultation with attorney), Section 551.072 (deliberation regarding real

property), and Section 551.087 (deliberation regarding economic development negotiations); Ms. Rickert seconded the motion, and it passed 7-0, to discuss the following matters:

Sections 551.071, 551.072 and 551.087 :

- River Trail

Sections 551.071 and 551.087

- Funding request from Hill Country Quilt Guild
- Funding request from Playhouse 2000, Inc.

At 5:26 p.m. the regular meeting recessed and the EIC went into executive closed session at 5:32 p.m. At 6:15 p.m. the EIC board recessed the executive closed session and returned to open session at 6:15 p.m.

Mr. Wampler announced that no action had been taken in executive closed session.

**ACTION TAKEN ON ITEMS DISCUSSED IN EXECUTIVE SESSION:**

5A. Funding request from Hill Country Quilt Guild

Mr. Howard moved to approve \$1,000.00 of the Quilt Guild's funding request. Rex Boyland seconded, and the motion passed 7-0.

5B. Funding request from Playhouse 2000, Inc.

Ms. Keeble moved to support items A and B, the interior and exterior lighting; Item E, improvements at the VK Garage, i.e. roof replacement and replacing the seating with a modular riser system. Regarding item D, outdoor staging, the city and Playhouse 2000 continue to explore different concepts and options for how it could be organized and who would own it. Regarding item C, the facility addition, EIC would like to see a firm number, with interest in a possible contribution.

Mr. Wampler clarified that the motion was to direct staff to request authorization from the City Council to submit a funding request to EIC for the interior and exterior lighting improvements. EIC would then expect Playhouse 2000 to come back to EIC with a firm funding request for the roof improvements and the modular seating. Mr. Howard seconded the motion, and it passed 7-0.

**ADJOURNMENT**

Mr. Wampler adjourned the meeting at 6:20 p.m.

APPROVED: 6/17/2013

  
David Wampler, President

ATTEST:  
Cheryl Brown  
Cheryl Brown  
Deputy City Secretary