

AGENDA FOR REGULAR MEETING

CITY OF KERRVILLE, TEXAS

ECONOMIC IMPROVEMENT CORPORATION

MONDAY, SEPTEMBER 23, 2013 AT 4:00 P.M.

KERRVILLE CITY HALL COUNCIL CHAMBERS

701 MAIN STREET, KERRVILLE, TEXAS

**AGENDA FOR REGULAR MEETING OF THE
CITY OF KERRVILLE, TEXAS
ECONOMIC IMPROVEMENT CORPORATION
MONDAY, SEPTEMBER 23, 2013, 4:00 P.M.
KERRVILLE CITY HALL COUNCIL CHAMBERS
701 MAIN STREET, KERRVILLE, TEXAS**

CALL TO ORDER

INVOCATION

1. VISITORS/CITIZENS FORUM:

Any citizen with business not scheduled on the agenda may speak to the corporation. No deliberation or action can be taken on these items because the Open Meetings Act requires an item be posted on an agenda 72 hours before the meeting. Visitors are asked to limit their presentation to three minutes.

2. APPROVAL OF THE MINUTES:

2A. Minutes of the budget workshop meeting held August 12, 2013, and the regular meeting held August 19, 2013.

3. MONTHLY REPORTS:

3A. Monthly financials for August 2013. (staff)

3B. Capital projects update. (staff)

River Trail and Parks projects

Cailloux Theater

Effluent Reuse Study

3C. Update regarding "GO Team" activities. (staff)

3D. Kerrville Economic Development Corporation (KEDC) Update regarding KEDC Activities. (Jonas Titas)

4. PUBLIC HEARING AND POSSIBLE ACTION:

4A. Administrative Services Contract with the City of Kerrville. (staff)

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

I do hereby certify that this notice of meeting was posted on the bulletin board at the city hall of the city of Kerrville, Texas, and said notice was posted on the following date and time September 19, 2013 at 11:00 a.m. and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

Cheryl Brown

Deputy City Secretary, City of Kerrville, Texas

5. CONSIDERATION AND POSSIBLE ACTION:

5A. Funding request from Kerrville Economic Development Corporation. (staff)

6. EXECUTIVE SESSION:

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

7. ADJOURNMENT

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

I do hereby certify that this notice of meeting was posted on the bulletin board at the city hall of the city of Kerrville, Texas, and said notice was posted on the following date and time: September 19, 2013 at 11:00 a.m. and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

Cheryl Brown

Deputy City Secretary, City of Kerrville, Texas

Agenda Item:

2A. Minutes of the budget workshop meeting held August 12, 2013, and the regular meeting held August 19, 2013. (staff)

**CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION
REGULAR MEETING**

August 19, 2013

On Monday, August 19, 2013, the Budget Workshop meeting of the directors of the City of Kerrville, Texas Economic Improvement Corporation, was called to order at 6:00 p.m. by David Wampler, President, in the Council Chambers at City Hall, at 701 Main Street, Kerrville, Texas.

Members Present:

David Wampler, President
Kenneth Early, Vice President
Rex Boyland, Secretary
Gary Cochrane
Larry Howard
Stacie Keeble
Polly Rickert

Members Absent:

City Executive Staff Present:

Todd Parton, City Manager
Cheryl Brown, Deputy City Secretary
Mike Hayes, City Attorney
Sandra Yarborough, Director of Finance
Ashlea Boyle, Main Street/Special Projects Manager
Malcolm Matthews, Director of Parks and Recreation

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. Cochrane.

1. **VISITORS/CITIZENS FORUM:** No one spoke

2. **APPROVAL OF THE MINUTES:**

2A. **Minutes of the regular meeting held July 22, 2013:**

Mr. Howard moved for approval of the minutes of July 22, 2013; Ms. Rickert seconded, and the motion passed 7-0.

3. **MONTHLY REPORTS:**

3A. **Monthly financials for July 2013:**

Ms. Yarborough reported that there was a beginning cash balance of \$2,239,724.00, with \$574,784.00 in tax income, interest revenue and a return on the Harper Road Utilities project; and \$508,767.00 in expenses, leaving an ending cash balance of \$2,305,740.00. This was an increase of 14.48% over 2012.

3B. Capital projects update.

Golf Course Improvements (Pavilion and Parking Lot Projects):

Mr. Parton reviewed a spreadsheet for the final costs of the project. There was an estimate of \$60,000.00 to be returned to the EIC.

River Trail and Parks projects:

Mr. Matthews reviewed the progress of the River Trail. The design contract was awarded to Peter Lewis, Architect + Associates at the last City Council meeting for G Street to complete the park and trail design for Louise Hays Park to G Street. Terra Design Group is under contract to complete the park and trail design for G Street to Kerrville-Schreiner Park. The first preliminary site plan should be available next week from Terra Design Group. Both projects will go out for bid in January, 2014. It was determined that a master floodway and floodplain study was necessary, and a consultant was currently working on that. He said they had also reviewed the wetlands survey with regard to the path of the river trail. He said they were taking care to avoid the removal of as many trees as possible with the path of the river trail and the utilities project.

Mr. Parton reported that he, Ms. Ondrias, Mr. Matthews, and Gary Hatch (with Peter Lewis, Architect + Associates) visited several parks throughout South Texas. They visited with a fountain company in San Marcos, who have done many projects with water features, including some Disney parks. The group from Kerrville wanted to see examples of water features in city parks. They also visited parks in Austin, Kemah, Texas City, Galveston and Houston to see examples of boardwalks, streetscapes and parks. The information that was gathered was compiled and was being utilized by Peter Lewis for his design proposal, and he was to have a design ready for review soon. Mr. Parton reported that he also spoke with Freese & Nichols, Inc. (FNI) regarding the boardwalk concept, design and pricing options, and different types of pedestrian bridges. FNI did not charge the city for the consultation regarding these possible projects.

3C. Update regarding "GO Team" activities.

Ms. Boyle reported that the "GO Team" had not met since the last EIC board meeting.

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

Mr. Titas reported that the KEDC was still communicating with several wineries in the area. He presented the proposed KEDC Fiscal Year 2014 budget for the EIC's review.

Mr. Wampler reported that he was in attendance at the last board meeting for the KEDC.

The board asked questions regarding the KEDC budget, and its plan for future endeavors, and Mr. Titas responded to those questions.

The board agreed that they would like KEDC to put more time into finding prospects for a convention center, and prospects for businesses that would better meet the needs of the Kerrville area, rather than other area cities.

No action was taken on this matter.

4. CONSIDERATION AND POSSIBLE ACTION:

4A. Fiscal Year 2014 Proposed EIC Budget.

Mr. Parton reviewed the proposed Fiscal Year 2014 EIC budget, which included the changes that were requested by the board at their budget workshop.

After detailed discussion regarding the EIC's continuing support of the KEDC's operating expenses, the consensus of the EIC was to fund the KEDC Fiscal Year 2014 budget in the amount of \$60,000.00.

The board asked Mr. Parton several questions regarding the EIC budget, which Mr. Parton answered.

Mr. Boyland moved to approve the Fiscal Year 2014 EIC budget as proposed, with the change in the amount of \$60,000.00 to KEDC, with an amount of \$115,000.00 being placed in a Category II unspecified account in the EIC budget. Mr. Howard seconded, and the motion was approved 7-0.

5. EXECUTIVE SESSION:

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

6. ADJOURNMENT

Mr. Wampler adjourned the meeting at 7:40 p.m.

APPROVED: _____

David Wampler, President

ATTEST:

Cheryl Brown
Deputy City Secretary

**CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION
BUDGET WORKSHOP MEETING**

August 12, 2013

On Monday, August 12, 2013, the Budget Workshop meeting of the directors of the City of Kerrville, Texas Economic Improvement Corporation, was called to order at 11:53 a.m. by David Wampler, President, in the Upstairs Conference Room of City Hall, at 701 Main Street, Kerrville, Texas.

Members Present:

David Wampler, President
Kenneth Early, Vice President
Rex Boyland, Secretary
Gary Cochran
Larry Howard
Stacie Keeble
Polly Rickert

Members Absent:

City Executive Staff Present:

Todd Parton, City Manager
Kristine Ondrias, Assistant City Manager
Cheryl Brown, Deputy City Secretary
Mike Hayes, City Attorney
Sandra Yarborough, Director of Finance
Ashlea Boyle, Main Street/Special Projects Manager
Malcolm Matthews, Director of Parks and Recreation

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

DISCUSSION OF FISCAL YEAR 2014 BUDGET AND DIRECTION TO CITY STAFF:

Mr. Parton reviewed the revenue projections through Fiscal Year 2027, completed projects beginning in Fiscal Year 2010 through the current year, the ongoing Capital Projects Update through July 31, 2013, and the five year Capital Projects Schedule.

Mr. Wampler recessed the meeting at 12:15 p.m. for lunch, and resumed at 12:43 p.m.

Ms. Yarborough reviewed the proposed Fiscal Year 2014 budget, noting the additions of several projects in the quality of life category, and the Village West Utilities project in the public infrastructure category.

Mr. Parton pointed out the monies that were returned to the EIC that were left after the completion of the Harper Highway project, and one other project, which totaled approximately \$80,000.00. Ms. Yarborough did not know what the other project was, but she said she would look it up and email that information to the EIC members.

Mr. Parton noted that the \$135,000.00 that was initially approved to fund the effluent water use study by Freese & Nichols, Inc. was not on the EIC budget.

He opined that, ethically, he felt it should come out of the utility fund budget, because it was a study for a future project that would benefit the City's water supply. Therefore, he would take the request before the City Council to fund the study. Mr. Parton answered questions from the EIC Board regarding the proposed budget, and there was discussion regarding changes to same. Mr. Parton would make the requested changes, and present the revised budget to the EIC at their regular meeting on August 19, 2013.

UPDATE ON RIVER TRAIL AND PARKS PROJECTS:

Ms. Ondrias reviewed the progress on the River Trail project, and the current utility projects. She reported that the Birkdale Lift Station project was within 30 days of completion.

She stated it would be necessary to remove some trees in Louise Hays Park for the utility projects, however, after the projects were completed, more trees would be added to replace all of the ones it was necessary to remove. She also stated there were several trees that were not healthy, and that those would be replaced. Louise Hays Park was to close on August 15, 2013, and would remain closed for approximately 18 months.

A petition was filed to start the condemnation process for the easements in the Rio Robles area, which was to take 60 to 90 days to complete.

City staff was meeting weekly to coordinate all of the current projects.

Mr. Matthews reviewed parking, road alignment, stages, new restrooms, changes to the barbeque areas, a proposed dog park, and tables that would be added to Louise Hays Park during the improvement project. He also reported that Kerrville Schreiner Park was to allow free admission each Tuesday.

CONSIDERATION OF CHANGING REGULAR MEETING DATE:

Mr. Howard stated he has a conflict on the fourth Monday of August, and requested a temporary change to meet on the third Monday for this month only. Ms. Keeble stated she would agree to that, provided they could meet at 6:00 p.m. rather than 4:00 p.m. The consensus of the board was that they would meet on August 19, 2013 at 6:00 p.m., and then in September they would revert back to the fourth Monday of the month at 4:00 p.m.

ADJOURNMENT:

Mr. Wampler adjourned the meeting at 2:40 p.m.

APPROVED: _____

David Wampler, President

ATTEST:

Cheryl Brown
Deputy City Secretary

Agenda Item:

3A. Monthly financials for August 2013. (staff)

**TO BE CONSIDERED BY THE
ECONOMIC IMPROVEMENT CORPORATION,
CITY OF KERRVILLE, TEXAS**

SUBJECT: EIC Financials

AGENDA DATE: September 23, 2013 **DATE SUBMITTED:** September 18, 2013

SUBMITTED BY: Sandra Yarbrough **CLEARANCES:**
Director of Finance

EXHIBITS: Monthly Financials

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

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

PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DIRECTOR:

SUMMARY STATEMENT

The City of Kerrville staff will present and update the EIC on a monthly basis as to the status of the EIC's financial position.

RECOMMENDED ACTION

Recommend acceptance of the financials.

CITY OF KERRVILLE
Economic Improvement Corporation
Sales Tax Improvement Fund

| | | |
|--|-------------------|-----------------------------------|
| Cash Balance as of August 1, 2013 | | \$ 2,306,128 |
| Deposits: | | |
| Sales Tax | \$ 245,964 | |
| Interest Revenue | \$ 376 | |
| | <u>\$ 246,340</u> | |
| Expenses: | | |
| Office Supplies | \$ 220 | |
| Administrative Service Fee | \$ 8,333 | |
| Transfer for Debt Service - 1999 | \$ 42,083 | |
| Transfer for Debt Service - 2012 | \$ 14,167 | |
| Transfer - Park Improvements | \$ 25,000 | |
| Total Expenses | <u>\$ 89,803</u> | |
| Revenues Over (Under) Expenditures | | <u>\$ 156,537</u> |
| Ending Cash Balance as of August 31, 2013 | | <u><u>\$ 2,462,664</u></u> |

City of Kerrville
Economic Improvement Corporation
Sales Tax Improvement Fund - Revenue and Expense Statement
For the month ending August 31, 2013

| | Annual Budget | Current Period | Y-T-D Actual | % of Budget | Budget Balance |
|-----------------------------------|---------------------|-------------------|---------------------|----------------|--------------------|
| BEGINNING CASH BALANCE | \$ 1,788,939 | | \$ 1,788,939 | | |
| REVENUE: | | | | | |
| Sales and Use Tax | \$ 2,425,000 | \$ 245,964 | \$ 2,514,417 | 103.69% | \$ (89,417) |
| Interest | \$ 5,000 | \$ 376 | \$ 4,958 | 99.16% | \$ 42 |
| Refund Airport/TXDOT | \$ - | \$ - | \$ 11,006 | | \$ (11,006) |
| Reimbursement - Colvin | | \$ - | \$ 14,190 | | \$ (14,190) |
| Transfer In-Harper Road Utilities | | | \$ 438,143 | | \$ (438,143) |
| TOTAL REVENUE | \$ 2,430,000 | \$ 246,340 | \$ 2,982,714 | 122.75% | \$ (89,375) |

| | Annual Budget | Current Period | Y-T-D Actual & Encumbrance | % of Budget | Budget Balance |
|---|-----------------------|-------------------|-------------------------------|----------------|---------------------|
| EXPENDITURES: | | | | | |
| Administrative | | | | | |
| Advertising/Supplies | \$ 500 | \$ 220 | \$ 543 | - | \$ (43) |
| Transfer to Debt Service Fund | \$ 505,000 | \$ 42,083 | \$ 462,917 | 91.67% | \$ 42,083 |
| Transfer to Debt Service Fund - River Trail | \$ 170,000 | \$ 14,167 | \$ 155,833 | | \$ 14,167 |
| Economic Development Governing Body | \$ 175,000 | | \$ 127,000 | 100.00% | \$ 48,000 |
| Annual Disclosure Fee | \$ 3,500 | | \$ 3,500 | | \$ - |
| Administrative Services Fee | \$ 100,000 | \$ 8,333 | \$ 91,667 | 91.67% | \$ 8,333 |
| Total Administrative | \$ 954,000 | \$ 64,803 | \$ 841,460 | 88.20% | \$ 112,540 |
| Category I - Business Development | | | | | |
| Unspecified | \$ 1,078,961 | | | 0.00% | \$ 1,078,961 |
| Total Category I | \$ 1,078,961 | \$ - | \$ - | 100.00% | \$ 1,078,961 |
| Category II - Quality of Life | | | | | |
| River Trail | \$ 300,000 | \$ 25,000 | \$ 275,000 | 91.67% | \$ 25,000 |
| Downtown Wireless | \$ 100,000 | | | 0.00% | \$ 100,000 |
| Golf Course Improvements | \$ 608,141 | | \$ 608,141 | 100.00% | \$ - |
| Texas Arts and Crafts Fair | \$ 15,500 | | \$ 15,500 | 100.00% | \$ - |
| HCDJLS | \$ 150,000 | | \$ 149,703 | 99.80% | \$ 297 |
| Downtown Streetscape | \$ 35,100 | | \$ 35,100 | 100.00% | \$ - |
| Kerr Fest | \$ 10,500 | | \$ 10,500 | 100.00% | \$ - |
| Quiet Valley Folk Festival | \$ 8,500 | | \$ 8,500 | 100.00% | \$ - |
| Quilt Show | \$ 1,000 | | \$ 1,000 | 100.00% | \$ - |
| Playhouse 2000 | \$ 118,000 | | \$ 118,000 | 100.00% | \$ - |
| Cailloux Theater Lighting | \$ 200,652 | | \$ 200,652 | 100.00% | \$ - |
| 4th on the River | \$ 25,000 | | \$ 25,000 | 100.00% | \$ - |
| Hill Country Wine and Brew Fest | \$ 20,432 | | \$ 20,432 | 100.00% | \$ - |
| Total Category II | \$ 1,592,825 | \$ 25,000 | \$ 1,467,528 | 92.13% | \$ 125,297 |
| Category III - Public Infrastructure | | | | | |
| Category III Unspecified | \$ 500,000 | | | 0.00% | \$ 500,000 |
| Total Category III | \$ 500,000 | \$ - | \$ - | 0.00% | \$ 500,000 |
| Contingency | \$ - | | | | \$ - |
| TOTAL EXPENDITURES | \$ 4,125,786 | \$ 89,803 | \$ 2,308,988 | 55.96% | \$ 1,816,798 |
| NET REVENUES TO EXPENDITURES | \$ (1,695,785) | \$ 156,537 | \$ 673,726 | | |

| | Budget | Actual |
|---|------------------|---------------------|
| ENDING CASH BALANCE: August 31, 2013 | \$ 93,153 | \$ 2,462,664 |

CITY OF KERRVILLE
 Economic Improvement Corporation
 SALES TAX REVENUE ANALYSIS

| | Actual FY 2010 | Actual FY 2011 | Actual FY 2012 | Approved FY 2013 | Actual FY 2013 | Difference Projected vs Actual | % of Projected Variance |
|--------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------------------|-------------------------|
| October | \$ 179,735 | \$ 184,602 | \$ 219,934 | \$ 184,164 | \$ 226,663 | \$ 42,500 | 23.08% |
| November | \$ 188,879 | \$ 207,677 | \$ 203,379 | \$ 208,708 | \$ 210,744 | \$ 2,036 | 0.98% |
| December | \$ 170,981 | \$ 169,550 | \$ 208,227 | \$ 186,363 | \$ 204,782 | \$ 18,419 | 9.88% |
| January | \$ 170,645 | \$ 195,930 | \$ 204,051 | \$ 183,199 | \$ 217,647 | \$ 34,448 | 18.80% |
| February | \$ 236,837 | \$ 241,320 | \$ 264,744 | \$ 256,158 | \$ 284,177 | \$ 28,018 | 10.94% |
| March | \$ 163,136 | \$ 169,754 | \$ 186,812 | \$ 175,922 | \$ 205,749 | \$ 29,826 | 16.95% |
| April | \$ 160,461 | \$ 157,729 | \$ 185,835 | \$ 173,572 | \$ 215,800 | \$ 42,228 | 24.33% |
| May | \$ 203,235 | \$ 234,742 | \$ 223,320 | \$ 230,918 | \$ 251,468 | \$ 20,550 | 8.90% |
| June | \$ 182,429 | \$ 186,441 | \$ 195,775 | \$ 189,807 | \$ 234,781 | \$ 44,975 | 23.69% |
| July | \$ 179,622 | \$ 190,696 | \$ 210,758 | \$ 192,763 | \$ 216,641 | \$ 23,878 | 12.39% |
| August | \$ 221,711 | \$ 238,491 | \$ 239,007 | \$ 233,746 | \$ 245,964 | \$ 12,218 | 5.23% |
| September | \$ 186,321 | \$ 179,133 | \$ 203,486 | | | \$ - | #DIV/0! |
| Total | \$ 2,243,991 | \$ 2,355,166 | \$ 2,545,329 | \$ 2,215,322 | \$ 2,514,416 | \$ 299,095 | 13.50% |

CITY OF KERRVILLE
Economic Improvement Corporation
Sales Tax Debt Service Fund

| | | |
|--|------------------|---------------------------------|
| Cash Balance as of August 1, 2013 | | \$ 354,533 |
| Revenues: | | |
| Transfer from Sales Tax Improvements Fund | <u>\$ 42,083</u> | |
| Total Deposits | <u>\$ 42,083</u> | |
| Expenses: | | |
| Paying Agent Fee | | |
| Bond Principal | | |
| Bond Interest | <u>\$ 11,276</u> | |
| Total Expenses | <u>\$ 11,276</u> | |
| Revenues Over (Under) Expenditures: | | <u>\$ 30,807</u> |
| Ending Cash Balance as of August 31, 2013 | | <u><u>\$ 385,340</u></u> |

CITY OF KERRVILLE
Economic Improvement Corporation
Sales Tax Debt Service Fund
Revenue and Expense Statement
For the month ending August 31, 2013

| | Annual Budget | Current Period | Y-T-D Actual | % of Budget | Budget Balance |
|---|----------------------|-------------------|----------------------|-------------|-------------------|
| BEGINNING CASH BALANCE | \$ 421,672 | | \$ 421,672 | | |
| REVENUE: | | | | | |
| Transfer from Sales Tax Improvement Fund | \$ 505,000 | \$ 42,083 | \$ 462,917 | 91.67% | \$ 42,083 |
| TOTAL REVENUE | \$ 505,000 | \$ 42,083 | \$ 462,917 | 91.67% | \$ 42,083 |
| | Annual Budget | Current Period | Y-T-D Actual | % of Budget | Budget Balance |
| EXPENDITURES: | | | | | |
| Series 1999 Sales Tax Bond Debt Service | \$ 465,000 | \$ - | \$ 465,000 | 100% | \$ - |
| Series 1999 Sales Tax Bond Interest Expense | \$ 33,248 | \$ 11,276 | \$ 33,248 | 100% | \$ 1 |
| Paying Agent Fees | \$ 1,000 | \$ - | \$ 1,000 | 100% | \$ - |
| First Southwest Continuing Disclosure Fee | \$ - | \$ - | - | - | \$ - |
| TOTAL EXPENDITURES | \$ 499,248 | \$ 11,276 | \$ 499,248 | 100.00% | \$ 1 |
| ENDING CASH BALANCE: August 31, 2013 | Budget \$ 427,424 | | Actual \$ 385,340 | | |

CITY OF KERRVILLE
Economic Improvement Corporation
EIC Capital Projects Fund

| | | |
|--|------------------|---------------------------------|
| Cash Balance as of August 1, 2013 | | \$ 984,414 |
| Revenues: | | |
| | | |
| Total Revenues/Transfer In | <u>\$ -</u> | |
| Expenses: | | |
| Downtown Streetscape | 11,265 | |
| 4th on the River | 705 | |
| Folk Festival | 8,415 | |
| Golf Course | <u>8,615</u> | |
| Total Expenses | <u>\$ 29,000</u> | |
| Revenue Over (Under) Expenditures | | <u>\$ (29,000)</u> |
| Ending Cash Balance as of August 31, 2013 | | <u><u>\$ 955,414</u></u> |

CITY OF KERRVILLE
Economic Improvement Corporation
Sales Tax Improvement Capital Projects Fund
Project Status Summary
For the month ending August 31, 2013

| YEAR(S) FUNDED | PROJECTS | Funding Agreement | Agreement Commitment | EIC Funded To Date | Non-EIC Funding | Total Funded | Project Expenses to Date | Project Balance | EIC Future Allocation Balance |
|-------------------|----------------------------------|----------------------|-------------------------|-----------------------|--------------------|---------------------|--------------------------------|--------------------|-------------------------------------|
| 2009/10 | Hill Country Home Opportunity | FA 2010-02 | \$ 250,000 | \$ 250,000 | | \$ 250,000 | \$ 250,000 | \$ 0 | - |
| 2009/10 | Commercial Improvement Program | | \$ 100,000 | \$ 100,000 | | \$ 100,000 | \$ 20,000 | \$ 80,000 | - |
| 2010/11 | Commercial Improvement Program | | \$ 100,000 | \$ 100,000 | | \$ 100,000 | - | \$ 100,000 | - |
| 2010/11 | Hill Country Shooting Center | FA 2010-03 | \$ 494,838 | \$ 494,838 | | \$ 495,585 | \$ 495,580 | \$ (0) | - |
| | Harper Hwy Utility Ext Phase 2 | | \$ 1,000,000 | \$ 1,000,000 | | \$ 641,857 | \$ 631,857 | \$ 10,000 | - |
| 2011/12 | Fox Tank | | \$ 300,000 | \$ 300,000 | | \$ 300,000 | \$ 300,000 | \$ - | - |
| 2011-12 | Downtown Utilities | | \$ 300,000 | \$ 300,000 | | \$ 300,000 | | \$ 300,000 | - |
| 2012-13 | Golf Course Improvements | | \$ 608,141 | \$ 608,141 | | \$ 608,141 | \$ 508,498 | \$ 99,643 | - |
| | Hill Country Jr. Livestock Assoc | | \$ 150,000 | \$ 149,703 | | \$ 149,703 | \$ 149,703 | \$ (0) | 297 |
| | Texas Arts and Crafts Fair | | \$ 15,500 | \$ 15,500 | | \$ 15,500 | \$ 15,500 | \$ - | - |
| | Downtown Street Scape | | \$ 35,100 | \$ 35,100 | | \$ 35,100 | \$ 12,420 | \$ 22,680 | - |
| | Kerr Fest | | \$ 10,500 | \$ 10,500 | | \$ 10,500 | \$ 10,500 | \$ - | - |
| | Quiet Valley Folk Festival | | \$ 8,500 | \$ 8,500 | | \$ 8,500 | \$ 8,415 | \$ 85 | - |
| | Quilt Show | | \$ 1,000 | \$ 1,000 | | \$ 1,000 | | \$ 1,000 | - |
| | Playhouse 2000 | | \$ 118,000 | \$ 118,000 | | \$ 118,000 | | \$ 118,000 | - |
| | Cailloux Theater Lighting | | \$ 200,652 | \$ 200,652 | | \$ 200,652 | | \$ 200,652 | - |
| | 4th on the River | | \$ 25,000 | \$ 25,000 | | \$ 25,000 | \$ 22,077 | \$ 2,923 | - |
| | Hill Country Wine and Brew Fest | | \$ 20,432 | \$ 20,432 | | \$ 20,432 | | \$ 20,432 | - |
| TOTALS | | | \$ 3,737,663 | \$ 3,737,366 | | \$ 3,379,970 | \$ 2,424,551 | \$ 955,414 | 297 |

Cash Balance on 8/31/2013

\$ 955,414

| Fund 70 - General Capital Improvement Projects - supported by EIC | | | | | |
|---|-------------------------------|----------------------|-------------------------|---------------------|-------------------|
| YEAR(S) | PROJECTS | Funding Agreement | Agreement Commitment | Total Funded | Expense |
| 2011-12 | River Trail | C2011-76 | \$ 6,000,000 | \$ 5,502,076 | \$ 336,243 |
| 2011-12 | Louise Hays Park Improvements | C2011-76 | \$ 2,000,000 | \$ 2,000,000 | \$ 25,247 |
| TOTALS | | | \$ 8,000,000 | \$ 7,502,076 | \$ 361,490 |
| | | | | \$ 7,140,586 | |

Cash and Investments

| Cash and Investment Balances by Fund | | | |
|---|----------------------------|----------------|---------------|
| <u>Fund</u> | <u>Fund Name</u> | <u>Balance</u> | <u>Period</u> |
| 40 | Sales Tax Improvement Fund | \$ 2,462,664 | 8/31/2013 |
| 43 | EIC Debt Service Fund | \$ 385,340 | 8/31/2013 |
| 75 | EIC Projects Fund | \$ 955,414 | 8/31/2013 |
| Total EIC Cash Balance | | \$ 3,803,418 | 8/31/2013 |

| Cash and Investments by Financial Location | | | |
|---|---------------------------|----------------|------------------------|
| <u>Type</u> | <u>Investment Vehicle</u> | <u>Balance</u> | <u>Interest Earned</u> |
| Cash | Wells Fargo Checking | \$ 90,972 | \$ - |
| ST Investment | EIC TexPool | \$ 1,597,877 | \$ 130.49 |
| ST Investment | EIC TexStar | \$ 1,623,982 | \$ 132.77 |
| HILCO FCU | CD | \$ 245,385 | \$ 141.10 |
| Kerr County FCU | CD | \$ 245,201 | \$ 104.08 |
| Total Cash & Investments | | \$ 3,803,418 | \$ 508.44 |

Agenda Item:

3B. Capital projects update. (staff)
River Trail and Parks projects
Cailloux Theater
Effluent Reuse Study

**TO BE CONSIDERED BY THE
ECONOMIC IMPROVEMENT CORPORATION,
CITY OF KERRVILLE, TEXAS**

SUBJECT: Capital Projects Update

AGENDA DATE: September 23, 2013 **DATE SUBMITTED:** September 18, 2013

SUBMITTED BY: Todd Parton
City Manager

CLEARANCES:

EXHIBITS/INFORMATION: Status Reports

APPROVED FOR SUBMITTAL BY CITY MANAGER:

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

PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DIRECTOR:

SUMMARY STATEMENT

Staff will provide reports on the following projects:

- River Trail and Parks Projects
- Effluent Reuse Study
- Cailloux Theater

RECOMMENDED ACTION

Update only. No action required.

Monthly Status Report

River Trail/Parks Projects

September 2013

Updates from prior month's report highlighted.

4B Funds

\$6,000,000 (River Trail Project)

\$2,000,000 (Louise Hays and Lehmann & Monroe Parks Renovation Project)

Status Report Kerrville River Trail

Riverside Nature Center (RNC) to Louise Hays Park (Package A)

| | |
|------------------|---|
| SCOPE | Extends from a new trailhead at the Riverside Nature Center parking lot, along the west property line of the RNC, down to the river's edge, under the Lemos St. Bridge, construction of a trail bridge across the river, through Tranquility Island, to the west end of the parking area in Louise Hays Park. The 10' wide trail will be constructed of concrete, except for the segment that runs along the RNC western property line. Total trail length: 0.7 miles |
| Amenities | Trailheads with lighting, observation/seating areas, bridge, drainage, and signage. [Additional amenities, such as trail entries, kiosks, and interpretive signage, will be added, once designed.] |

| PHASING | Action Item | Schedule (Status) | Task/Issues | Comments/Risks |
|--|---|---|---|---|
| Recreation easements or Property Agreements | easement to CoK from RNC | complete (6/12; 9/12) | RNC to provide easement to City | requires RNC approval |
| | lease renewal to RNC from CoK | complete (6/12) | City to provide lease to RNC | City Council approval (6/12) |
| | approval from TxDOT and GLO for use of state property | complete (5/12) | TxDOT approval of plans and Const./Maint. Agreement | SA office approval; include in MIMA |
| Property Survey | M&B and Topo surveys | complete (3/12) | identify property boundary and grades | |
| Misc. Reports/Permits | LOMR | upon trail completion | flood level impact, if any | submission to FEMA |
| | TPWD (land & water permit) | complete (5/12) | coffer dam - bridge construction review | review by TPWD |
| | USACE | complete (5/12) | involves jurisdictional waters of the US | no USACE permit required |
| Design | contract - Hewitt Engineering | | | |
| Routing | location of trail | complete (12/11) | define gradients and layout | |
| Preliminary Design and Construction Drawings | schematic plans; prelim. costs | 50% review - complete (12/11) | all project elements | |
| | | 75% review - complete (1/12) | all project elements | |
| | | 90% review - complete (2/12) | all project elements | |
| Final Bid Documents | final plans/specs/costs/ documents | complete (3/12) | all project elements | |
| Bidding/Contracts | secure contractor | bid (3/12); awarded (5/12) to Westar Construction | bid process, contract prep | project delay, bid cost, permit approvals, etc. |
| Construction | construct project | start (5/12); <u>complete (12/12)</u> | sequencing of work | Dedication and opening 12/15/12 |

| FUNDING - BUDGET | Allocation | Expended - Encumbered | Balance | Cost Est. for Package | Needed to Complete Package |
|---|-----------------------------------|--|---------|--|---|
| G.O. bonds (2002) Park Dedication Funds | \$500,000 -25,000 \$525,000 | 2002 bonds \$147,112 [includes completion of the River Trail Master Plan, design, and survey work] | \$0 | Construction bid: \$667,427 plus 10% contingency \$735,000 | 2002 bonds/PD COs \$525,000 \$357,412 \$882,112 |
| COs (4B) | \$357,112 | | | | |

Status Report Kerrville River Trail

Louise Hays Park to G St. (Package B) and Parks Project

| | |
|------------------|---|
| SCOPE | Connects to the west end of the Louise Hays Park parking lot (Package A), through Louise Hays Park and Lehmann & Monroe Park, to G St. (west r.o.w. line). The 10' wide trail will be constructed of concrete. This Package will be coordinated with the Jefferson Wastewater Project and Water transmission Line Project, both slated for completion by early 2014. This segment will include the entire scope of work for the Louise Hays Park/Lehmann & Monroe Park Project, as funded by 4B. Total trail length: 1 mile |
| Amenities | Trail - trailheads with security lighting, observation areas, seating areas, bridging, drainage, signage, trail entries, kiosks, and interpretive signage. Parks - park amenities, amphitheater/stage, interactive water feature, event areas, large pavilion upgrades, river access, restrooms, roads/parking, lighting, utilities, landscaping, signage. |

| PHASING | Action Item | Schedule (Status) | Task/Issues | Comments/Risks |
|--|--|--|--|--|
| Recreation easements or Property Agreements | easements to CoK from property owners construction easements, if needed | complete by 11/31/13 na | CoK to secure from property owners; title work and surveys na | |
| Property Survey | M&B and Topo surveys | M&B - complete (9/12) Topo - partially complete | identify property boundary and grades | |
| Misc. Reports/Permits | LOMR TPWD (land & water permit) GLO (state property use) | upon trail completion 12/1/13, if needed 12/1/13, if needed | flood impact, if any environmental impact to state waters routing preference | may require submittal to FEMA review by TPWD |
| Design | -Trail Routing Options - Half -Design Contract Document - Half PLA* | complete (6/12) complete (approved 12/11/12)* | define route options w/ costs all remaining design phases | approval by State, if needed complete (6/12) Council approval |
| Preliminary Design and Construction Drawings | schematic plan with amenities/est. | Schematic - (complete) 50% review - 75% review - 90% review - | all project elements all project elements all project elements | coord. with utilities projects |
| Final Bid Documents | final plans/specs/costs/ documents | complete by late 2013 | all project elements | project delay assoc. with approvals |
| Bidding/Contracts | secure contractor | early 2014 | bid process, contract prep | project delay, bid cost, etc. |
| Construction | construct project | start early 2014 | sequencing of work | typical delays/field alterations |

* Half Assoc. design agreement terminated; new design agreement with Peter Lewis Architect + Assoc. (PLA) approved 8/13/13.

| FUNDING - BUDGET | Allocation | Expended - Encumbered | Balance | Cost Est. for Package | Needed to Complete Package |
|----------------------------|-------------|-----------------------|-------------|-----------------------|----------------------------|
| COs (4B) - River Trail | \$1,000,000 | \$99,537 | \$900,463 | | \$1,000,000 |
| COs (4B) - LHP/LMP Project | \$2,000,000 | \$199,073 | \$1,800,927 | | \$2,000,000 |

Status Report Kerrville River Trail

G St. to Kerrville-Schreiner Park (Package F)

| | |
|------------------|--|
| SCOPE | Extends from G St. (west r.o.w. line) along the south bank of the river into Kerrville-Schreiner Park. The 10' wide trail will be constructed of concrete. This Package will be coordinated with the Jefferson Wastewater Project and Water transmission Line Project, both slated for completion by fall 2013. <i>Total trail length: + 2 miles</i> |
| Amenities | Trailheads with parking, security lighting, observation areas, seating areas, trail bridges, drainage, signage, trail entries, kiosks, and interpretive signage. |

| PHASING | Action Item | Schedule (Status) | Task/Issues | Comments/Risks |
|--|--|---------------------------------|--|-------------------------------------|
| Recreation easements or Property Agreements | easement to CoK from property owners; land acquisition | complete by 11/31/13 | CoK to secure from property owners; title work and surveys | |
| | construction easements, if needed | complete by 12/13, if needed | determine need by 10/13 | from property owner |
| Property Survey | M&B and Topo surveys | M&B amend. - to complete (9/13) | identify property boundary and grades | coord. w/ utilities projects |
| Misc. Reports/Permits | LOMR | upon trail completion | flood impact, if any | may require submittal to FEMA |
| | TPWD (land & water permit) | 12/1/13, if needed | environmental impact to state waters | |
| Design | -Trail Confirmation - Terra Design Group (TDG) | complete (6/12) | define route options w/ costs | complete (6/12) |
| | -Final Design Contract - TDG | complete (6/23/13) | all remaining design phases | Council approval (6/23/13) |
| Preliminary Design and Construction Drawings | schematic plans with amenities/est. | Schematic - (submitted) | all project elements | coord. with utilities projects |
| | | 50% review - | all project elements | |
| | | 75% review - | all project elements | |
| Final Bid Documents | final plans/specs/costs/ documents | complete by late 2013 | all project elements | project delay assoc. with approvals |
| | secure contractor | early 2014 | bid process, contract prep | project delay, bid cost, etc. |
| Bidding/Contracts | construct project | start early 2014 | sequencing of work | typical delays/field alterations |

| FUNDING - BUDGET | Allocation | Expended - Encumbered | Balance | Cost Est. for Package | Needed to Complete Package |
|------------------|-------------|-----------------------|-------------|-----------------------|----------------------------|
| COs (4B) | \$2,300,000 | \$228,305 | \$2,071,695 | | \$2,300,000 |

Status Report Kerrville River Trail

RNC to Knapp Crossing (Packages C and D)

| | |
|------------------|--|
| SCOPE | Extends from a new trailhead at the Knapp Crossing Boat Ramp parking lot, runs adjacent to the river, ties into the Guadalupe St. r.o.w.(Package D) extends to Guadalupe Park and connects to Package A (Package C). The 10' wide trail will be constructed of concrete. Total trail length: 1.6 miles |
| Amenities | Trailheads with lighting, observation areas, seating areas, trail bridge, drainage, signage, trail entries, kiosks, interpretive signage, and private improvement interface. |

| PHASING | Action Item | Schedule (Status) | Task/Issues | Comments/Risks |
|--|--------------------------------------|----------------------|--|---------------------------------|
| Recreation easements or Property Agreements | easement to CoK from property owners | TBD | CoK to secure from property owners; title work and surveys | from property owner |
| | construction easements, if needed | TBD | TBD | from property owner |
| Property Survey | M&B and Topo surveys | (partially complete) | identify property boundary and grades | |
| Misc. Reports/Permits | LOMR | | flood impact, if any | may require submittal to FEMA |
| | TPWD (land & water permit) | | environmental impact to state waters | review by TPWD |
| Design | TBD | (partially complete) | | waiting for private development |
| Routing | location of trail | (partially complete) | define gradients and layout | " " " " |
| Preliminary Design and Construction Drawings | schematic plan with amenities/est. | 50% review – | all project elements | " " " " |
| | | 75% review – | all project elements | " " " " |
| | | 90% review – | all project elements | " " " " |
| Final Bid Documents | final plans/specs/costs/ documents | TBD | all project elements | " " " " |
| Bidding/Contracts | secure contractor | TBD | bid process, contract prep | " " " " |
| Construction | construct project | TBD | sequencing of work | " " " " |

| FUNDING - BUDGET | Allocation | Expended - Encumbered | Balance | Cost Est. for Package | Needed to Complete Package |
|------------------|------------|-----------------------|---------|-----------------------|----------------------------|
| COs (4B) | | | | | |

Status Report Kerrville River Trail

Knapp Crossing to West Terminus (Package E)

| | |
|------------------|--|
| SCOPE | Extends from Knapp Crossing trailhead to the west terminus of trail on Junction Hwy along the river's edge. The 10' wide trail will be constructed of concrete. Total trail length: up to 1 mile |
| Amenities | Trailheads with lighting, observation areas, seating areas, trail bridge, drainage, signage, trail entries, kiosks, and interpretive signage. |

| PHASING | Action Item | Schedule (Status) | Task/Issues | Comments/Risks |
|---|--------------------------------------|---|--|---------------------------------|
| Recreation easements or Property Agreements | easement to CoK from property owners | TBD | CoK to secure from property owners; title work and surveys | from property owner |
| | construction easements, if needed | TBD | TBD | from property owner |
| | M&B and Topo surveys | (partially complete) | identify property boundary and grades | |
| Property Survey Misc. Reports/Permits | LOMR | | flood impact, if any | may require submittal to FEMA |
| | TPWD (land & water permit) | | environmental impact to state waters | review by TPWD |
| Design Preliminary Design and Construction Drawings | TBD | | | waiting for private development |
| | schematic plan with amenities/est. | 50% review – (partially complete) 75% review – 90% review – | all project elements all project elements all project elements | " " " |
| Final Bid Documents Bidding/Contracts Construction | final plans/specs/costs/ documents | TBD | all project elements | " " " |
| | secure contractor | TBD | bid process, contract prep | " " " |
| | construct project | TBD | sequencing of work | " " " |

| FUNDING - BUDGET | Allocation | Expended - Encumbered | Balance | Cost Est. for Package | Needed to Complete Package |
|------------------|------------|-----------------------|---------|-----------------------|----------------------------|
| COs (4B) | | | | | |

Other Services to be Evaluated

Required reporting and permitting may dictate additional professional services or consolidation of services assigned to the design teams. These include, but are not limited to, the following.

1. Floodplain/Floodway Impact, Hydraulic Analysis, Section 404 – Clean Water Act submittals (Corps of Engineers), and Flood Insurance Rate Map/ Letter of Map Revision preparation and submittal (CoK, FEMA) will be completed by one firm in order to comprehensively address the issues and data collection/reporting. This will avoid multiple submittals (costs) and reduce mistakes and need for resubmittals.
2. Archeological and Environmental Surveys and Section 404 review will need to be completed in areas where sensitive site conditions are probable. We anticipate no extreme findings in the initial surveys/reports; however, if further study is required by state or federal agencies, those services will require amendments to trail segment allocations and the consultant contracts.
3. TDLR permitting for ADA compliance, CoK building permits, Texas Historical Commission plan review, any other city or state agency submittals, will best be submitted by each of the design teams at the time of plan completion. This keeps regulation compliance with the design teams.

Agenda Item:

3C. Update regarding "Go Team" activities. (staff)

**TO BE CONSIDERED BY THE
ECONOMIC IMPROVEMENT CORPORATION,
CITY OF KERRVILLE, TEXAS**

SUBJECT: Update on "GO Team" activities

FOR AGENDA OF: September 23, 2013 **DATE SUBMITTED:** September 18, 2013

SUBMITTED BY: Ashlea Boyle *AB* **CLEARANCES:** Todd Parton
Main Street / Special Projects Manager City Manager

EXHIBITS:

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

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

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE:

SUMMARY STATEMENT

The Economic Development "GO Team" has met twice regarding an application received from the Museum of Western Art (MOWA). The "GO Team" has requested additional information to make the application and review process complete. If received in a timely manner, it is anticipated that this application will be presented at the October EIC meeting.

RECOMMENDED ACTION

This report is provided for informational purposes only and no action is required.

Agenda Item:

3D. Kerrville Economic Development Corporation (KEDC) update regarding KEDC activities. (Jonas Titas)

**TO BE CONSIDERED BY THE
ECONOMIC IMPROVEMENT CORPORATION,
CITY OF KERRVILLE, TEXAS**

SUBJECT: Update on Kerrville Economic Development Corporation Activities

FOR AGENDA OF: September 23, 2013 **DATE SUBMITTED:** September 18, 2013

SUBMITTED BY: Ashlea Boyle *ab*
Main Street / Special Projects Manager

CLEARANCES: Todd Parton
City Manager

EXHIBITS:

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: *JP*

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

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE:

SUMMARY STATEMENT

This is a routine update from the KEDC Executive Director regarding KEDC activity.

RECOMMENDED ACTION

This is for information only. No recommended action.

Agenda Item:

4A. Administrative Services Contract with the City of Kerrville. (staff)

**TO BE CONSIDERED BY THE
ECONOMIC IMPROVEMENT CORPORATION,
CITY OF KERRVILLE, TEXAS**

SUBJECT: Administrative Services Contract between the Economic Improvement Corporation, Texas and the City of Kerrville, Texas

FOR AGENDA OF: September 23, 2013 **DATE SUBMITTED:** September 18, 2013

SUBMITTED BY: Ashlea Boyle *AB* **CLEARANCES:** Todd Parton
Main Street / Special Projects Manager City Manager

EXHIBITS: FY 2014 EIC Administrative Services Contract

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: *JP*

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

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE:

SUMMARY STATEMENT

The City of Kerrville provides services to the EIC through an annual contract. This contract includes services for project management, engineering, financial, legal, and administrative support. EIC pays the City \$100,000 for these services.

Attached is the FY 2014 Administrative Services Contract between the City of Kerrville and the Economic Improvement Corporation (EIC). At its meeting of September 10, 2013, staff presented the current Administrative Services Contract between the City of Kerrville and the EIC to City Council for review as it is due to expire on September 30, 2013. Staff did not have any specific changes to recommend, however requested council's consideration on any proposed changes prior to presenting the contract to EIC on September 23, 2013. City Council authorized staff to present the contract as is to the EIC for a public hearing, consideration and approval.

RECOMMENDED ACTION

City staff recommends holding a public hearing and approval of this contract as presented.

**ADMINISTRATIVE SERVICES CONTRACT BETWEEN CITY OF KERRVILLE, TEXAS
AND CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION**

THIS CONTRACT is entered into and effective as of the 1st day of October 2013, by and between the City of Kerrville, Texas, ("City") and the City of Kerrville, Texas Economic Improvement Corporation ("EIC") for and in consideration of the following promises and conditions:

ARTICLE I
SERVICES PROVIDED BY CITY

City agrees to provide the following services to the EIC subject to the limitations and conditions set forth below:

- A. Engineering and Project Management Services: City agrees to provide engineering and project management services, to include design, bid, and construction phases, for EIC projects that involve improvements to City and/or public property. For such projects requiring expenditures estimated at more than \$25,000.00 for construction, City may contract for specialized engineering services and EIC agrees to pay for such services as part of a project, which is authorized by the EIC to be funded in whole or in part by sales tax revenues generated pursuant to the authority of Chapters 501, 502, and 505 of the Texas Local Government Code.
- B. Legal Services: City agrees the City Attorney will be the legal advisor of, and attorney for, the EIC, which representation will include review of documents, contracts, and other instruments as to form and legality, the conduct of legal research, and, if requested, the issuance of legal opinions. In the provision of legal services by the City Attorney, the City Attorney shall provide such services only if the provision of legal services to the EIC does not unreasonably impair his ability to provide legal services to the City. Furthermore, in the event the City Attorney determines that a legal or ethical conflict exists between the City and the EIC, the EIC agrees that the City Attorney may continue to represent the City on such matter notwithstanding such conflict provided the City Attorney has made reasonable disclosure of the conflict to the president of the EIC. Notwithstanding this paragraph, EIC shall at all times retain the right to hire counsel of its own choice at EIC expense.
- C. Financial Services: City agrees to provide accounting, banking, and investment services, including accounts receivable, accounts payable, investments, record keeping, financial reporting, and an audit of all funds. The City will provide a report at each regular monthly meeting of the EIC, such report to include a statement of revenues and expenditures for all funds and a cash flow analysis on a form approved by the EIC.
- D. Administrative Services: City will provide services from the City Manager to include secretarial and other clerical services, including the taking minutes and preparation of resolutions and correspondence related to the operation of the EIC. The City Manager or designee will engage with the EIC in a manner comparable to the role identified by Section 6.04 of the City Charter.

- E. Investment Officer: The City's Director of Finance will serve as the EIC's investment officer in accordance with the EIC's Investment Policy, as may be amended.
- F. Regulatory Financial Reporting: The City's Director of Finance shall prepare all financial reports required by state and federal regulatory agencies.
- G. Annual Audit: The City's Director of Finance shall include the EIC's financial information as part of the City's Comprehensive Annual Financial Report (CAFR).
- H. Project Reports: The City Manager or designee shall provide a report at each regular monthly meeting of the EIC on all ongoing projects which are subject to a funding agreement with the EIC. These reports shall include the status and estimated completion date of each project and verification that performance criteria are being met.
- I. Staff Reports: The City Manager or designee shall prepare a report on each application for EIC funds, such report to include the following information:
 - 1. Complete Application
 - 2. Financial Impact Analysis
 - a. Total payroll
 - b. Payroll multiplier
 - c. Sales and ad valorem tax generation
 - 3. Return on Investment Analysis
 - a. Property tax – City, County, and KISD
 - b. Sales tax – City and County
 - c. Payroll multiplier
 - d. Timeline by which return is realized
 - 4. Feasibility Analysis
 - a. Land – size, zoning, platting, building/fire codes
 - b. Building – size, suitability, condition
 - c. Infrastructure – water, wastewater, streets, drainage, electricity, public safety

J. Prospect Support Services: The City Manager or designee shall ensure that the following support services as provided by City staff are provided to the EIC in the review and processing of applications for EIC funds:

1. receive applications
2. evaluate applications for completeness
3. determine eligibility
4. facilitate submission before the EIC
5. provide technical evaluation pursuant to Section 9, above
6. provide recommendations to the Board
7. coordinate with other aligned agencies/entities
8. identify appropriate incentives and programs

ARTICLE II COMPENSATION

In consideration of the provision by City to EIC of the services described in Article I, above, EIC shall pay City the sum of \$100,000.00. It is agreed by the parties that this compensation is equal to the reasonable value of the services anticipated to be provided by City to the EIC. City shall deduct the payment required hereunder upon receipt of said sales tax revenues from the Comptroller of Public Accounts for the State of Texas.

ARTICLE III TERM

The Term of this Contract commences on October 1, 2013, and ends on September 30, 2014, subject to earlier termination as provided herein and extension by agreement of the parties hereto.

ARTICLE IV TERMINATION

This Contract may be terminated by City or EIC for any reason, with or without cause, not earlier than thirty (30) days prior to delivery to the non-terminating party of a written notice of termination. EIC agrees to pay City the reasonable cost of services rendered by City up to the date of termination.

ARTICLE V GOVERNING LAW

This Contract is subject to, governed by, and construed in accordance with the laws of the State of Texas.

IN WITNESS WHEREOF, the parties hereto have executed this Contract in the year and as of the date indicated.

(signatures begin on following page)

CITY OF KERRVILLE, TEXAS

CITY OF KERRVILLE, TEXAS ECONOMIC
IMPROVEMENT CORPORATION

By: _____
Todd Parton, City Manager

By: _____
David Wampler, President

ATTEST:

ATTEST:

Cheryl Brown, Deputy City Secretary

Rex Boyland, Secretary-Treasurer

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney

Agenda Item:

- 5A. Funding request from Kerrville Economic Development Corporation. (staff)

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

SUBJECT: Annual Funding Request from the Kerrville Economic Development Corporation

FOR AGENDA OF: September 24, 2013 **DATE SUBMITTED:** September 17, 2013

SUBMITTED BY: Ashlea Boyle *AB* **CLEARANCES:** Todd Parton
Main Street / Special Projects Manager City Manager

EXHIBITS: Letter from the KEDC Executive Director, Dated September 11, 2013

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

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

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE:

SUMMARY STATEMENT

Attached is a letter from the Kerrville Economic Development Corporation's Executive Director requesting annual funding in the amount of \$60,000.00 to support operational expenses as approved in the FY 2014 EIC budget at the August 19, 2013 EIC meeting.

RECOMMENDED ACTION

City staff is requesting approval of the funding request as presented.



Kerrville Economic Development Corporation
1700 Sidney Baker, Suite 100
Kerrville, TX 78028

Phone: 830/896-1157
Fax: 830/896-1175
kerr-edc.com

September 11, 2013

David Wampler
City of Kerrville Economic Improvement Corporation
701 Main Street
Kerrville, TX 78028

Re: Funding Request for FY 2013/2014

Mr. Wampler:

The Kerr Economic Development Council (KEDC) is beginning our fourth year of operations. In FY 2012/2013 KEDC was successful in working with Fox Tank to create a second production line for oil field separators and a new residential construction panel manufacturer to establish operations in Kerr County. Together these projects will create 70 new primary jobs and invest \$1.5 million in new plant and equipment. KEDC also worked with the Economic Improvement Corporation and the City to develop new Business Incentive Guidelines that we hope will enhance and streamline the incentive application process. We look forward to a busy and productive year in FY 2013/14 promoting Kerrville and Kerr County as a great place to do business with the development of new incentive programs with the City and County, commission of a labor market survey and implementation of a craft agriculture recruitment program.

The KEDC Board of Directors recently approved our budget for FY 2012/2013 (attached). Our new budget requests \$17,500 by the City, County and the Kerrville Public Utility Board and \$60,000 from the Economic Improvement Corporation. Funding allocations are necessary for KEDC to continue operations and prepare for the coming year.

KEDC greatly appreciates the City's continued support and the KEDC Board of Directors looks forward to a bright future and partnership that will be beneficial for all.

Respectfully,


Jonas Titas
Executive Director