

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

**July 19, 2010**

On Monday, July 19, 2010, the meeting of the directors of the City of Kerrville, Texas Economic Improvement Corporation, was called to order at 4:00 p.m. by Bill Crumrine, President, in the City Hall Council Chambers, 800 Junction Highway, Kerrville, Texas.

**Members Present:**

Bill Crumrine, President  
Jack Pratt, Vice President  
Alan Massey, Secretary /Treasurer  
Rex Boyland  
Warren Ferguson  
Robert Miller

**Members Absent:**

Gregg Appel

**Staff Present**

Mike Hayes, City Attorney  
Mike Erwin, Director of Finance  
Mindy Wendele, Director of Business Programs  
Mike Wellborn, Director of Engineering  
Teri Kinsey, Administrative Assistant to City Secretary

**2. INVOCATION:**

Given by President Bill Crumrine.

**3. VISITORS FORUM:**

Nobody spoke during the visitor's forum.

**4. APPROVE MINUTES:**

**4A. June 21, 2010**

Mr. Pratt moved to accept the minutes of the June 21, 2010 meeting; Mr. Ferguson seconded, motion passed 6-0.

**5. MONTHLY REPORTS:**

**5A. Monthly financials for June 2010**

Mike Erwin presented the June 2010 financials. Mr. Pratt moved to accept the financials as presented; Mr. Boyland seconded; motion passed 6-0.

**5B. EIC construction project status**

Mike Wellborn presented the July 2010 construction project status report. The construction report was accepted by consensus.

**6. CONSIDERATION AND POSSIBLE ACTION:**

**6A. Consider and approve the FY11 budget**

Mr. Erwin presented the Board with a spreadsheet of the FY11 proposed budget.

**Administrative:**

- \$505,000                      Transfer to debt service
- \$75,000                        Administrative fee
- \$225,000                      Kerr Economic Development Corporation

**Business Development/Category I**

- \$131,000                      KEDF/USDA Project

- \$50,000 Commercial Improvement Program
- \$600,000 Unspecified
- Quality of Life/Category II
- \$82,000 Unspecified
- Public Infrastructure/Category III
- \$82,000 Unspecified Projects
- Contingency
- \$500,000

Mr. Ferguson moved to approve the FY2011 budget as presented; Mr. Pratt seconded; motion passed 6-0.

The Board reiterated that these numbers are proposed and that EIC is not bound by them.

**7. INFORMATION AND DISCUSSION:**

**7A. Review of by-laws, procedures of board, officers and administrative services.**

The Board discussed appointing Mike Erwin or the City of Kerrville as assistant treasurer in the FY11 administrative contract noting that the Attorney General required EIC to sign their own checks and have a separate account; this would fulfill any legal requirements by the Attorney General.

Mr. Hayes explained that the 4B tax fund was governed by many laws and requirements and that the City Council had final control of EIC funds under state law and as acknowledged by the Attorney General. The Board should have knowledge of how the funds were being spent, but questioned how much involvement the Board wished to have. If more Board involvement was desired, he suggested amending the administrative service agreement with the city. The consensus of the Board was not to make changes at this time.

The Board questioned as to when a motion and vote were required or when an item could be approved by consensus. Mr. Hayes explained that a motion is more formal; if there were any questions as to the decision of the Board, the minutes would reflect a defined answer, but it basically lies with the Board and what they feel comfortable with.

Ms. Wendele reviewed the proper procedure to place an item(s) on the agenda as described in the Board and Procedural Rules.

**7B. Review of the resolution establishing a Contingency Fund Policy. (Miller)**

Board consensus was that the contingency fund was established as a reserve fund to cover costs for a project that was deemed economically beneficial, when other funds had been exhausted.

**7C. Update on Multi Purpose Meeting Facility. (Ferguson)**

Item deferred to executive session.

**7D. Update on the Kerr Economic Development Corporation. (Pratt)**

A presentation will be held on July 29, 2010, to introduce the new governing body of the Kerrville Economic Development Corporation.

**8. EXECUTIVE SESSION:**

Mr. Ferguson moved that the Economic Improvement Corporation go into executive closed session under sections 551.071 (consultation with attorney), 551.072 (deliberation regarding real property), and 551.087 (deliberation regarding economic development negotiations) of Chapter 551 of the Government Code of the State of Texas; Mr. Boyland seconded; motion passed 6-0 to discuss the following matter:

Sections 551.071, 551.072 and 551.087:

- Negotiations with Hunter Equity regarding the construction of a multi-purpose meeting facility for the city of Kerrville.

At 5:23 p.m. the regular meeting recessed and the Board went into executive closed session at 5:24 p.m. At 6:27 p.m.; the executive closed session recessed and the Board returned to open session at 6:28 p.m. The chairman announced that no action had been taken in executive session.

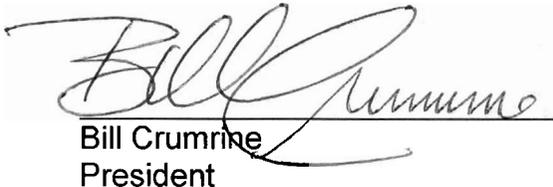
**9. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION:**

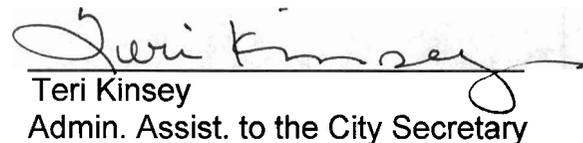
None

**10. ADJOURNMENT:**

Mr. Pratt moved to adjourn the meeting; Mr. Boyland seconded; motion passed 6-0. The meeting adjourned at 6:32 PM.

**APPROVED:** August 16, 2010

  
Bill Crumrine  
President

  
Teri Kinsey  
Admin. Assist. to the City Secretary