

AGENDA FOR REGULAR MEETING

CITY OF KERRVILLE, TEXAS

ECONOMIC IMPROVEMENT CORPORATION

MONDAY, SEPTEMBER 21, 2015 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 21, 2015, 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 Economic Improvement 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 regular meeting held on August 17, 2015.

3. MONTHLY REPORTS:

3A. Monthly financials for August 2015. (staff)

3B. Projects update. (staff)

River Trail project

Cailloux Theater Support Facility

4. PUBLIC HEARING AND POSSIBLE ACTION:

4A. Administrative services contract between City of Kerrville, Texas and City of Kerrville, Texas Economic Improvement Corporation in the amount of \$100,000.

The facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive service must be made 48 hours prior to this event. Please contact the City Secretary's Office at 830-257-8000 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 17, 2015, at 4:00 p.m. and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

Todd Parton

City Manager, City of Kerrville, Texas

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.

Sections 551.071 and 551.087:

Discuss the economic development negotiations for a business prospect(s), the public discussion of which would not be in the best interests of the Economic Improvement Corporation's bargaining position with third parties.

7. ITEMS FOR FUTURE AGENDAS:

8. ANNOUNCEMENTS:

9. ADJOURNMENT

The facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive service must be made 48 hours prior to this event. Please contact the City Secretary's Office at 830-257-8000 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 17, 2015, at 4:00 p.m. and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

Todd Parton

City Manager, City of Kerrville, Texas

Agenda Item:

2A. Minutes of the regular meeting held on August 17, 2015.

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

AUGUST 17, 2015

On Monday August 17, 2015, the regular meeting of the directors of the City of Kerrville, Texas Economic Improvement Corporation, was called to order at 4:00 p.m. by David Wampler, President, in the Council Chambers at City Hall, at 701 Main Street, Kerrville, Texas.

The invocation was offered by Sheri Pattillo.

Members Present:

David Wampler, President
Sheri Pattillo, Secretary
Delayne Sigerman
Paul Stafford
Gary Stork
James Wilson

Members Absent:

Gary Cochrane, Vice President

City Executive Staff Present:

Todd Parton, City Manager
Ashlea Boyle, Special Projects Manager
Cheryl Brown, Deputy City Secretary
Sandra Yarbrough, Director of Finance
Brian Crenwelge, Project Manager
Malcolm Matthews, Parks and Recreation Director

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

1. VISITORS/CITIZENS FORUM:

J.C. Davenport of 260 Los Encinos Lane, Kerrville, Texas, President of the Texas Hill Country Senior Softball League spoke regarding the Singing Winds Softball Fields.

2. APPROVAL OF MINUTES:

Ms. Pattillo moved to approve the minutes for July 20, 2015. Mr. Wilson seconded, and the motion passed 6 to 0.

3. MONTHLY REPORTS:

3A. Monthly financials for July, 2015:

Ms. Yarbrough reported a beginning balance of \$3,067,622; with \$290,109 revenue, and \$51,000 expenditures; leaving an ending cash balance on July 31, 2015 of \$3,306,731. There was a 5.15% tax revenue increase over 2014. She reviewed the capital projects status summary, which showed an ending cash balance of \$ 2,513,726

and the cash and investments fund, which showed an (annualized) interest earned of 0.10%.

3B. Projects update.

Cailloux Campus Support Facility

Mr. Crenwelge reported that the project was projected to be completed in January, 2016.

Lowry Park Trail

Mr. Crenwelge reported that the lowest bid was from Zimmerman Construction, Inc. City Staff will take the bid before City Council on August 25, 2015.

4. CONSIDERATION AND POSSIBLE ACTION:

4A. Review and consider amendments to the agreement for the property on Airport Commerce Park.

Mr. Stracke spoke regarding the current agreement for the property at Airport Commerce Park. He responded to questions from the board.

After some discussion, Mr. Wilson moved to direct City staff to meet with Mr. Stracke to determine a solution for the problem presented regarding the triggers in the current agreement. Ms. Pattillo seconded, and the motion passed 6-0.

4B. Discussion and action regarding the Fiscal Year 2016 EIC budget. (staff)

Mr. Parton presented the proposed budget. He responded to questions from the board, and there was discussion among the board members regarding the proposed work on Interstate 10 at Harper Road, as well as the property surrounding that area.

Mr. Wilson moved to adopt the budget as presented, with the exception of moving the \$160,000 for garage renovations back to FY2016. Ms. Pattillo seconded, and the motion passed 6-0.

Item 5A was heard out of agenda order, prior to item 4B.

5. PUBLIC HEARING AND POSSIBLE ACTION:

5A. Multiyear Economic Development Grant Agreement between the City of Kerrville, Texas Economic Improvement Corporation and the Kerr Economic Development Corporation in an amount not to exceed \$520,000.

Mr. Titus presented the budget for KEDC.

Mr. Wampler opened the public hearing at 4:22 p.m., there were no questions or comments, and the public hearing was closed at 4:22 p.m.

Mr. Wilson moved to adopt the budget as presented. Ms. Pattillo seconded, and the motion passed 6-0.

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. **ITEMS FOR FUTURE AGENDAS:**

8. **ANNOUNCEMENTS:**

9. **ADJOURNMENT:**

Mr. Wampler adjourned the meeting at 5:13 p.m.

APPROVED: _____

David Wampler, President

ATTEST:

Cheryl Brown
Deputy City Secretary

Agenda Item:

3A. Monthly financials for August 2015. (staff)

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

SUBJECT: EIC Financials

FOR AGENDA OF: September 21, 2015 **DATE SUBMITTED:** September 10, 2015

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

EXHIBITS: Monthly Financials

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 OR FINANCE:

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 - Summary
For the month ending August 31, 2015

Beginning Cash Balance		\$ 3,306,731
Income:		
Sales Tax	\$ 297,274	
Interest Revenue	\$ 541	
Total Income	<u>\$ 297,814</u>	
Expenses:		
Legal Expense	\$ 786	
Administrative Service Fee	\$ 8,333	
Transfer for Debt Service - 2012	\$ 42,667	
Transfer for Debt Service 2015	\$ 54,703	
Total Expenses	<u>\$ 106,489</u>	
Revenues Over (Under) Expenditures		<u>\$ 191,326</u>
Ending Cash Balance		<u><u>\$ 3,498,056</u></u>

CITY OF KERRVILLE
Economic Improvement Corporation
Sales Tax Improvement Fund - Revenue and Expense Statement
For the month ending August 31, 2015

	Annual Budget	Current Period	Y-T-D Actual	% of Budget	Budget Balance
BEGINNING CASH BALANCE	\$ 2,873,663		\$ 2,873,663		
REVENUE:					
Sales and Use Tax	\$ 2,931,638	\$ 297,274	\$ 2,844,064	97.01%	\$ 87,574
Interest	\$ 5,000	\$ 541	\$ 5,100	102.00%	\$ (100)
Other Income - Fox Tank			\$ 14,000		\$ (14,000)
Transfer In		\$ -	\$ 237,748		\$ (237,748)
TOTAL REVENUE	\$ 2,936,638	\$ 297,814	\$ 3,100,912	105.59%	\$ 87,474

	Annual Budget	Current Period	Y-T-D Actual & Encumbrance	% of Budget	Budget Balance
EXPENDITURES:					
Administrative					
Local Meetings	\$ 100		\$ 60	60.00%	\$ 40
Legal Fees		\$ 786	\$ 786		
Advertising	\$ 100	\$ -	\$ 20	20.00%	\$ 80
Administrative Services Fee	\$ 100,000	\$ 8,333	\$ 91,667	91.67%	\$ 8,333
Transfer to Debt Service Fund - River Trail	\$ 512,000	\$ 42,667	\$ 469,334	91.67%	\$ 42,666
Transfer to Debt Service Fund - Athlex Complex		\$ 54,703	\$ 54,703		
Economic Development Governing Body	\$ 175,000	\$ -	\$ 166,250	95.00%	\$ 8,750
River Trail Contribution	\$ 150,000		\$ 150,000	100.00%	\$ -
Total Administrative	\$ 937,200	\$ 106,489	\$ 932,820	99.53%	\$ 59,870
Category I - Business Development					
ED Set Aside	\$ 500,000		\$ 500,000	100.00%	\$ -
James Avery			\$ 610,000		
Unspecified	\$ -	\$ -	\$ -	0.00%	\$ -
Total Category I	\$ 500,000	\$ -	\$ 1,110,000	100.00%	\$ -
Category II - Quality of Life					
Special Events	\$ 100,000	\$ -	\$ 83,700	83.70%	\$ 16,300
Streetscape	\$ 500,000	\$ -	\$ -	0.00%	\$ 500,000
Baseball Complex	\$ 500,000	\$ -	\$ -	0.00%	\$ 500,000
Boardwalk	\$ 250,000	\$ -	\$ -	0.00%	\$ 250,000
Theater Expansion			\$ 350,000		
Unspecified	\$ -		\$ -	0.00%	\$ -
Total Category II	\$ 1,350,000	\$ -	\$ 433,700	32.13%	\$ 916,300
Category III - Public Infrastructure					
Unspecified	\$ -	\$ -	\$ -	0.00%	\$ -
Total Category III	\$ -	\$ -	\$ -	0.00%	\$ -
Contingency	\$ -	\$ -	\$ -	0.00%	\$ -
	\$ -	\$ -	\$ -		\$ -
TOTAL EXPENDITURES	\$ 2,787,200	\$ 106,489	\$ 2,476,520	88.85%	\$ 976,170

NET REVENUES TO EXPENDITURES	\$ 149,439	\$ 191,325	\$ 624,393
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ENDING CASH BALANCE	Budget	Actual
\$ 3,023,101	\$ 3,498,056	

CITY OF KERRVILLE
Economic Improvement Corporation
Sales Tax Revenue Analysis - FY15
For the month ending August 31, 2015

Revenue Month	Actual FY 2012	Actual FY 2013	Actual FY 2014	Approved FY 2015	Actual FY 2015	FY14 vs FY15	Budget vs Actual
October	\$ 219,934	\$ 226,663	\$ 241,503	\$ 243,616	\$ 238,933	\$ (2,570)	-1.92%
November	\$ 203,379	\$ 210,744	\$ 234,150	\$ 236,201	\$ 257,654	\$ 23,504	9.08%
December	\$ 208,227	\$ 204,782	\$ 214,424	\$ 216,303	\$ 251,851	\$ 37,427	16.43%
January	\$ 204,051	\$ 217,647	\$ 229,761	\$ 231,772	\$ 245,845	\$ 14,073	6.07%
February	\$ 264,744	\$ 284,177	\$ 296,036	\$ 298,620	\$ 335,071	\$ 36,451	12.21%
March	\$ 186,812	\$ 205,749	\$ 207,869	\$ 209,693	\$ 223,251	\$ 13,557	6.47%
April	\$ 185,835	\$ 215,800	\$ 218,030	\$ 219,942	\$ 227,065	\$ 7,123	3.24%
May	\$ 223,320	\$ 251,468	\$ 268,682	\$ 271,032	\$ 273,281	\$ 2,249	0.83%
June	\$ 195,775	\$ 234,781	\$ 267,530	\$ 269,871	\$ 255,511	\$ (14,360)	-5.32%
July	\$ 210,758	\$ 216,641	\$ 222,961	\$ 224,909	\$ 238,328	\$ 13,419	5.97%
August	\$ 239,007	\$ 245,964	\$ 266,321	\$ 268,652	\$ 296,422	\$ 27,770	10.34%
September	\$ 203,486	\$ 224,905	\$ 238,926	\$ -	\$ -	\$ -	0.00%
YTD Total	\$ 2,545,329	\$ 2,739,321	\$ 2,906,194	\$ 2,690,612	\$ 2,843,212	\$ 158,643	5.67%

CITY OF KERRVILLE
Economic Improvement Corporation
Capital Projects Fund - Summary
For the month ending August 31, 2015

Beginning Cash Balance		\$ 2,513,126
Income:		
Cailloux Theater Grants		
Total Income:	<u>\$ -</u>	
Expenses:		
Habitat for Humanity	\$ 14,164	
Cailloux Theater Expansion	<u>\$ 21,723</u>	
Total Expenses:	<u>\$ 35,887</u>	
Revenues Over (Under) Expenditures		<u>\$ (35,887)</u>
Ending Cash Balance		<u><u>\$ 2,477,239</u></u>

CITY OF KERRVILLE
Economic Improvement Corporation
Project Status Summary
For the month ending August 31, 2015

Fiscal Years	Projects	Agreement Commitment	EIC Funded To Date	Total Funded	Expenses to Date	Project Balance
2012-13	Downtown Streetscape	\$ 35,100	\$ 35,100	\$ 35,100	\$ 34,412	\$ 688
2013-14	Cailloux Theater Expansion	\$ 850,000	\$ 850,000	\$ 1,113,474	\$ 89,324	\$ 1,024,150
2013-14	Habitat for Humanity	\$ 375,000	\$ 375,000	\$ 375,000	\$ 41,348	\$ 333,652
2014-15	Special Events FY15	\$ 100,000	\$ 83,700	\$ 83,700	\$ 74,950	\$ 8,750
2014-15	James Avery	\$ 1,220,000	\$ 610,000	\$ 610,000		\$ 610,000
2014-15	Ed Set Aside	\$ 500,000	\$ 500,000	\$ 500,000		\$ 500,000
TOTALS		\$ 3,080,100	\$ 2,453,800	\$ 2,717,274	\$ 240,034	\$ 2,477,239

Cash Balance on 8/31/2015 \$ 2,477,239

General Capital Improvement Projects - supported by EIC

Fiscal Years	Projects	Agreement Commitment	Total Funded	Expense To Date	To Balance
2011-12	River Trail	\$ 6,000,000	\$ 5,991,094	\$ 4,123,647	\$ 1,867,447
2011-12	Louise Hays/Lehmann Monroe parks	\$ 2,000,000	\$ 2,600,000	\$ 2,600,000	\$ (0)
	Funding Agreement - C2011-76Totals	\$ 8,000,000	\$ 8,591,094	\$ 6,723,648	\$ 1,867,447

Notes:

6/24/14 - Project adjustments - \$600,000.00 moved from River Trail project to Louise Hays/Lehman Monroe park improvements per EIC and City Council meetings - additional funding to replenish River Trail project to be requested by city staff from EIC at future EIC meeting.

9/22/14 - Project replenished - \$600,000.00 approved at EIC meeting related to Louise Hays/Lehman Monroe park improvements (see note above) reported on 9/30/14 financial report at October 2014 meeting.

Cash and Investments

For the month ending August 31, 2015

Cash and Investment Balances by Fund			
<u>City G/L</u> <u>Fund</u>	<u>Fund Name</u>	<u>Balance</u>	<u>Period</u>
40	Sales Tax Improvement Fund (operating fund)	\$ 3,498,056	8/31/2015
75	EIC Projects Fund (capital projects fund)	\$ 2,477,239	8/31/2015
Total Cash and Investments		\$ 5,975,295	8/31/2015

Cash and Investments by Type - Placement - Amount					
<u>Type</u>	<u>Investment Placement</u>	<u>Amount</u>	<u>Interest Earned</u>	<u>Interest Earned</u> <u>(Annualized)</u>	<u>Period</u> <u>Ending</u>
Cash	Wells Fargo Checking	\$ 2,226,095	\$ -	0.00%	8/31/2015
ST Investment	EIC TexPool	\$ 1,624,510	\$ 98.77	0.07%	8/31/2015
ST Investment	EIC TexStar	\$ 1,625,806	\$ 113.60	0.08%	8/31/2015
HILCO FCU	CD	\$ 249,096	\$ 116.31	0.56%	8/31/2015
Kerr County FCU	CD	\$ 249,788	\$ 211.96	1.02%	8/31/2015
Total Cash and Investments		\$ 5,975,295	\$ 540.64	0.11%	8/31/2015

CITY OF KERRVILLE
Economic Improvement Corporation
Project Status Summary
For the month ending August 31, 2015

Fiscal Years	Projects	Agreement Commitment	EIC Funded To Date	Total Funded	Expenses to Date	Project Balance
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2014-15	Special Events FY15	\$ 100,000	\$ 83,700	\$ 83,700	\$ 74,950	\$ 8,750
2014-15	James Avery	\$ 1,220,000	\$ 610,000	\$ 610,000		\$ 610,000
2014-15	Ed Set Aside	\$ 500,000	\$ 500,000	\$ 500,000		\$ 500,000
TOTALS		\$ 3,080,100	\$ 2,453,800	\$ 2,717,274	\$ 240,034	\$ 2,477,239

Cash Balance on 8/31/2015 \$ 2,477,239

General Capital Improvement Projects - supported by EIC

Fiscal Years	Projects	Agreement Commitment	Total Funded	Expense To Date	To Balance
2011-12	River Trail	\$ 6,000,000	\$ 5,991,094	\$ 4,123,647	\$ 1,867,447
2011-12	Louise Hays/Lehmann Monroe parks	\$ 2,000,000	\$ 2,600,000	\$ 2,600,000	\$ (0)
	Funding Agreement - C2011-76Totals	\$ 8,000,000	\$ 8,591,094	\$ 6,723,648	\$ 1,867,447

Notes:

6/24/14 - Project adjustments - \$600,000.00 moved from River Trail project to Louise Hays/Lehman Monroe park improvements per EIC and City Council meetings - additional funding to replenish River Trail project to be requested by city staff from EIC at future EIC meeting.

9/22/14 - Project replenished - \$600,000.00 approved at EIC meeting related to Louise Hays/Lehman Monroe park improvements (see note above) reported on 9/30/14 financial report at October 2014 meeting.

Agenda Item:

3B. Projects update. (staff)
River Trail project
Cailloux Theater Support Facility

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

SUBJECT: Projects Update

FOR AGENDA OF: September 21, 2015 **DATE SUBMITTED:** September 11, 2015

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

EXHIBITS: Project Status Reports

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

Staff will provide reports on the following projects:

- River Trail Project – Lowry Park
- Cailloux Theater Support Facility

RECOMMENDED ACTION

This report is for informational purposes only. No action required.

EIC Projects Update September 21, 2015

Cailloux Campus Support Facility:

HMC Construction has completed the concrete foundation.

Curbing and sidewalk construction has begun.

The metal building is scheduled for delivery on October 5th.

The anticipated completion date is the end of January.

Lowry Park Trail:

The pre-construction meeting was held on September 10, 2015.

Mobilization and construction will begin by the beginning of October.

Construction should be completed by March 2016.

Agenda Item:

4A. Administrative services contract between City of Kerrville, Texas and City of Kerrville, Texas Economic Improvement Corporation in the amount of \$100,000.

**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 2015, 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-funded 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 taking minutes and preparation of resolutions and correspondence related to the operation of 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
6. provide recommendations
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, 2015, and ends on September 30, 2016, 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

Sheri Pattillo, Secretary-Treasurer

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney