

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

September 20, 2010

On Monday, September 20, 2010, the meeting of the directors of the City of Kerrville, Texas Economic Improvement Corporation, was called to order at 4:02 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
Gregg Appel
Rex Boyland
Warren Ferguson
Robert Miller

Members Absent:

None

Staff Present

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

2. INVOCATION:

Given by President Bill Crumrine.

3. VISITORS FORUM:

Nobody spoke.

4. PRESENTATION:

4A. Presentation of EIC investment portfolio from Patterson and Associates.

Linda Patterson from Patterson and Associates presented the Board with a draft investment policy and noted it was comparable to the TexPool investment policy. Mr. Erwin advised that EIC's certificates of deposit were with the following local banks:

- Hilco Federal Credit Union
- Bank of the Hill
- Hill Country State Bank
- Union State Bank
- Kerr County Federal Credit Union
- Security State Bank and Trust
- Guadalupe National Bank

Ms. Patterson also noted that the EIC's investment officer had to be designated by the Board and the investment officer for the city could be the investment officer for EIC. The administrative services contract with the city would cover the expenses for Patterson and Associates as EIC's investment advisor. The consensus of the Board was to schedule the revised draft policy on the October agenda after it was reviewed by Mr. Erwin and Mr. Hayes.

4B. Commercial Improvement Program Request:

Mr. Gregg Appel abstained from voting on the funding requests for Hewitt Engineering and San Saba Cap Company due to a conflict of interest and left the meeting.

Mr. Ferguson moved to approve funding up to \$8,000 for Hewitt Engineering Capital Improvement Program request; Mr. Pratt seconded, motion passed 6-0-1 with Messrs Crumrine, Pratt, Massey, Boyland, Ferguson and Miller voted for; no one voted against; and Mr. Appel abstained.

Mr. Boyland moved to approve funding up to \$10,000 for San Saba Cap Company Capital Improvement Program request; Mr. Miller seconded, motion passed 6-0-1 with Messrs Crumrine, Pratt, Massey, Boyland, Ferguson and Miller voted for; no one voted against; and Mr. Appel abstained.

Mr. Pratt moved to approve funding up to \$10,000 for A & D Properties No. 2 Capital Improvement Program Request; Mr. Appel seconded, motion passed 7-0.

4C. Authorize the execution of the Fiscal Year 2011 Administrative Services Contract with the City of Kerrville.

Ms. Wendele presented the revised Administrative Services Contract to the Board noting one change under the Financial Services section regarding the appointment of the City's Director of Finance to fulfill the role and perform the duties of the Treasurer for the EIC. The Treasurer shall also act as the EIC's investment officer and toward that end, shall comply with the EIC's Investment Policy.

Mr. Ferguson moved to approve the Administrative Services Contract as amended; Mr. Boyland seconded, motion passed 7-0.

5. APPROVE MINUTES:

5A. August 16, 2010

Mr. Pratt moved to accept the minutes of the August 16, 2010 meeting; Mr. Ferguson seconded, motion passed 7-0.

6. MONTHLY REPORTS:

6A. Monthly financials for August

Mr. Erwin presented the August 2010 financials. Mr. Pratt moved to accept the financials as presented; Mr. Ferguson seconded; motion passed 7-0.

6B. EIC construction project status

Mr. Erwin presented the September 2010 construction project status report. The construction report was accepted by consensus.

7. INFORMATION AND DISCUSSION:

7A. Update on Convention Center Review Panel.

Mr. Ferguson reported that there was no need for an executive session regarding the Convention Center Review Panel activities; a project review meeting was schedule for September 21, 2010.

7B. Update on Kerrville Economic Development Council.

Mr. Pratt reported that the Kerrville Economic Development Corporation was waiting on the appraisals of the USDA property owned by the KEDF. Mr. Pratt stated that KEDC was in operation, had funding, and had established a bank account. Steve Huser, President of KEDF, reported that Guy Overby will be working for KEDC as a liaison until a director for KEDC is hired.

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. Pratt seconded; motion passed 7-0 to discuss the following matters:

Sections 551.071, 551.072 and 551.087:

- Economic development grant/loan agreement between Kerr Economic Development Foundation, Inc. and the City of Kerrville, Texas Economic Improvement Corporation (USDA Facility).

At 5:54 p.m. the regular meeting recessed and the Board went into executive closed session at 5:55 p.m. At 6:14 p.m. the executive closed session recessed and the Board returned to open session at 6:15 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. Ferguson seconded; motion passed 7-0. The meeting adjourned at 6:16 PM.

APPROVED: October 18, 2010


Bill Crumrine
President


Teri Kinsey
Admin. Assist. to the City Secretary