

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

**REGULAR MEETING
July 18, 2011**

On Monday, July 18, 2011, the meeting of the directors of the City of Kerrville, Texas Economic Improvement Corporation, was called to order at 4:00 p.m. by Gregg Appel, President, in the City Hall Council Chambers, 800 Junction Highway, Kerrville, Texas.

Members Present:

Gregg Appel, President
Kenneth Early, Vice President
Tony Roberts, Secretary
Rex Boyland (*arrived at 4:25 pm*)
Larry Howard
Stacie Keeble
Robert Miller

Members Absent:

None

Staff Present:

Todd Parton, City Manager
Mike Hayes, City Attorney
Mindy Wendele, Director of Business Programs
Mike Erwin, Director of Finance
Teri Kinsey, Deputy City Secretary

2. **INVOCATION:** Given by President Gregg Appel.

3. **VISITORS FORUM:** No one spoke

4. **APPROVE MINUTES:**

4A. Approve minutes from June 20, 2011.

Mr. Howard moved to approve the June 20, 2011 minutes; Mr. Early seconded; motion passed 6-0.

5. **MONTHLY REPORTS:**

5A. Monthly financials for June 2011.

Mr. Howard moved to approve the June 2011 financials as presented; Ms. Keeble seconded; motion passed 6-0.

5B. EIC construction project status.

Mr. Miller moved to approve the June 2011 construction status report as presented; Mr. Early seconded; motion passed 6-0.

6. **CONSIDERATION AND ACTION:**

6A. Consideration of funding agreement request from Kerr County Commissions' Court for \$4.6M, for the Ag Complex improvement and expansion.

It was the consensus of the EIC Board not to take any action on Kerr County's funding request, the IRT siting they could not make a recommendation based on the information provided under the economic development standards as outlined in the funding request application. It was also stated that the amount requested is in excess of an amount that would be spent on a quality of life project as well. It was

suggested by the Board to possibly add the Exhibit Center to the City's/EIC's list of priorities in conjunction with the Economic Development Strategic Plan.

6B. Consider and approve the FY12 budget.

The Board discussed possibly moving the fund balance and/or reallocating money into different categories, it was decided that this would create additional steps in the approval process with city council and would not be of any benefit.

Mr. Howard moved to approve the FY12 budget as presented; Mr. Roberts seconded, motion passed 7-0.

7. INFORMATION AND DISCUSSION:

7A. Update from the Hill Country Shooting Sports Center.

Jack Burch was unable to attend the July 18, 2011 meeting; this item was rescheduled for August 15, 2011.

7B. Update from Ray Watson, Director of the Kerrville Economic Development Corporation.

Ray Watson presented his quarterly update to the EIC Board and stated the main goals now of the KEDC were to complete the strategic plan and come up with a prioritized list of proposed projects. A meeting with state personnel will be scheduled, along with the President of the Chamber of Commerce, to give a presentation for uses of 4B revenues in September; the EIC Board was invited to attend as well. KEDC was also working on the following; speaking with hotels to possibly bring in a convention/conference type facility, meeting with groups handling the Target facility; the Harper Road and Guadalupe Street projects; and a new website with marketing material.

7C. Presentation of the Investment Policy and Economic Development Strategic Plan.

Mike Erwin reviewed the original investment policy submitted by Patterson and Associates and advised the Board that city council had not taken any action on the revised version submitted by the EIC Investment Policy Committee at the April 12, 2011 council meeting. Mr. Erwin requested that EIC approve the original draft of the investment policy at the August meeting and resubmit to city council for their approval. Board members asked what the differences were between the original draft and the EIC revised draft. Mike Erwin explained that the main difference was in the strategy, it was suggested that EIC would only keep 110% of the estimated expenditures for the next month in a checking account. The other change was that it put a benchmark on the investment manager, to earn more than 10% than a 6 month Treasury bill rate, making there a performance level on the investments. The EIC Board ask that the following changes be made: page 2, paragraph 5, change "Executive Director" to whatever is appropriate for EIC and add language in the Administrative Services Contract to reflect banking services and the investment manager.

The EIC/City Council Joint Meeting is scheduled for August 10, 2011 from 8:30 am to 12:30 pm.

The strategic plan, which was presented by Todd Parton, included; 110 projects over the next 5 years, totaling approximately \$7.4M in costs, incentives by the city that would entice businesses to Kerrville, and an overall basis and vision for the community. Three key issues that were taken into consideration when drafting the

Economic Strategy are Kerrville's Municipal Plan, the EDSP from 2008, and the Water/Wastewater Plan. Mr. Parton also outlined the Scope of Place, Quality of Place and Core Infrastructure for the City of Kerrville and the findings. Mr. Parton explained that Kerrville's economic development strategy should be scheduled to accommodate short-term, medium-term, and long-term objectives and reviewed a number of projects and what their economic impact would be on the city. It was Mr. Parton's recommendation that no more than 50% of 4B revenues to debt service that exceeds 10 years, which will accommodate larger-scale projects while preserving a substantial amount of operating capital each year.

8. EXECUTIVE SESSION:

The EIC Board reserves the right to discuss any of the above items in executive closed session 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), 551.075, 551.076 (deliberation regarding security devices) or 551.087 (deliberation regarding economic development negotiations) of Chapter 551 of the Government Code of the State of Texas.

9. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION: None

10. ADJOURNMENT:

Mr. Howard moved to adjourn the meeting; Mr. Roberts seconded; motion passed 7-0. The meeting adjourned at 6:24 PM.

APPROVED: August 15, 2011



Gregg Appel, President



Teri Kinsey, Deputy City Secretary