

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

**REGULAR MEETING
AUGUST 15, 2011**

On Monday, August 15, 2011, the meeting of the directors of the City of Kerrville, Texas Economic Improvement Corporation, was called to order at 4:03 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
Larry Howard
Stacie Keeble
Robert Miller

Members Absent:

None

Staff Present:

Todd Parton, City Manager
Mike Hayes, City Attorney
Kristine Ondrias, Assistant City Manager
Mindy Wendele, Director of Business Programs
Mike Erwin, Director of Finance
Mike Wellborn, Director of Engineering
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 July 18, 2011.

Mr. Howard moved to approve the July 18, 2011 minutes; Mr. Early seconded; motion passed 7-0.

5. **MONTHLY REPORTS:**

5A. Monthly financials for July 2011.

Mr. Early moved to approve the July 2011 financials as presented; Mr. Boyland seconded; motion passed 7-0.

5B. EIC construction project status.

Mr. Wellborn presented the July 2011 construction project status report. The construction report was accepted by consensus.

6. **CONSIDERATION AND ACTION:**

6A. Authorize the execution of the Fiscal Year 2012 Administrative Services Contract with the City of Kerrville.

Ms. Keeble moved to amend and approve the Fiscal Year 2012 Administrative Services Contract with the City of Kerrville, adding a more detailed description of

services provided by Mindy Wendele, Director of Business Programs; Mr. Boyland seconded, motion passed 7-0.

6B. Authorize the execution of the EIC investment policy from Patterson and Associates.

Mike Erwin advised the Board the changes they requested at the last meeting and the changes required by state legislation had been made to the investment policy. The Board questioned how the bank's FDIC status and credit rating would be verified and by who? Mr. Erwin stated that under the investment policy agreement, Patterson and Associates would monitor these on a weekly basis and if changes occur he will be notified and in turn, he would inform the City Manager.

Mr. Early moved to approve the EIC Investment Policy as presented; Mr. Roberts seconded; motion passed 7-0.

6C. Authorize the Economic Improvement Corporation to enter into a Purchase and Sale Agreement with KEDF for the purchase of approximately 86.71 acres located at 300 Peterson Farm Road.

Staff recommended this item be discussed in Executive Session.

6D. Provide direction to staff regarding joint City Council – EIC meeting held August 10, 2011.

Todd Parton reviewed comments and decisions made at the joint meeting between EIC and City Council; the four main issues were the following:

- Harper Highway Utility Improvements, Phase II
- River Trail, Phases I, II, III
- Louise Hays Park Improvements
- Downtown Streetscape Improvements

Mr. Parton advised that staff was in the process of determining additional funding options like the state leverage fund and creating a chart of funding needs. The board asked what direction staff needed in order to proceed with funding these projects; and to explore the possibility of refinancing the existing indebtedness and use that as part of the funding.

Mr. Boyland moved to approve the funding agreement for Harper Highway Utility Improvements, Phase II and directed staff to return with a time line providing pro forma cost and funding for the completion of the River Trail Project, Louise Hays Park improvements, downtown streetscapes, and consideration of refunding EIC's existing debt; Mr. Early seconded, motion passed 7-0.

6E. Accept resignation from EIC Board Member, Bob Miller.

Mr. Appel thanked Mr. Miller, on behalf of the Board, for his service and wished him well.

7. INFORMATION AND DISCUSSION:

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

Mr. Burch did not attend the meeting and was rescheduled to September 19, 2011.

7B. Update regarding the Kerrville Economic Development Corporation.

Mr. Appel stated that at the last meeting of the KEDC, the members reviewed proposed by-laws and revisions that centered on the composition of the Board to include additional representation from the business community.

8. EXECUTIVE SESSION:

Mr. Howard 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. Miller seconded; motion passed 7-0 to discuss the following matters:

Sections 551.071, 551.072 and 551.087:

- Consider proposal from Kerr Economic Development Foundation ("KEDF") for the Economic Improvement Corporation to enter into a Purchase and Sale Agreement with KEDF for the purchase of approximately 86.71 acres located at 300 Peterson Farm Road.
- Kerrville Economic Development Corporation's update on deliberations regarding commercial or financial information that the governmental body has received from a business prospect(s) that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations.

At 5:00 p.m. the regular meeting recessed and the Board went into executive closed session at 5:07 p.m. At 6:24 p.m. the executive closed session recessed and the Board returned to open session at 6:25 p.m. The president announced that no action had been taken in executive session.

9. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION:

Mr. Howard moved to enter into a Purchase and Sale Agreement with KEDF for the purchase of approximately 86.71 acres located at 300 Peterson Farm Road; Mr. Boyland seconded, motion passed 5-0-1 with Messrs Howard, Early, Miller, and Boyland, and Ms. Keeble, voted for; no one voted against; and Mr. Appel abstained.

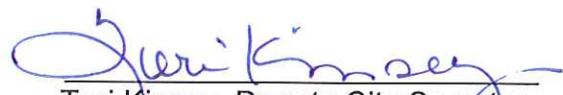
10. ADJOURNMENT:

Mr. Howard moved to adjourn the meeting; Mr. Early seconded; motion passed 6-0. The meeting adjourned at 6:37 PM.

APPROVED: September 19, 2011



Gregg Appel, President



Teri Kinsey, Deputy City Secretary