

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

**Regular Meeting  
February 15, 2010**

On Monday, February 15, 2010, the meeting of the directors of the City of Kerrville, Texas Economic Improvement Corporation, was called to order at 4:03 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  
Warren Ferguson  
Lindsay Duff

**Members Absent:**

Ed Hamilton  
Ben Modisett  
Alan Massey, Secretary/Treasurer

**Staff Present**

Mike Erwin, Director of Finance  
Teri Kinsey, Administrative Assistant to City Secretary  
Sandra Yarbrough, Finance Division  
Barbara Lanning, Budget Analyst  
Cheri Halford, Capital Improvements Projects Manager

**2. INVOCATION:**

Given by President Bill Crumrine.

**3. VISITORS FORUM:**

Nobody spoke during the visitors forum.

**4. APPROVE THE MINUTES OF THE JANUARY 18, 2010, MEETING:**

Mr. Pratt moved to approve the minutes of the December 21, 2009 meeting, pending changes; Mr. Duff seconded; motion passed 4-0.

**5. MONTHLY REPORTS**

**5A. Monthly financials December 2009**

Mike Erwin presented the January 2010 financials. Mr. Pratt moved to accept the financials as presented; Mr. Ferguson seconded; motion passed 4-0.

**5B. EIC Construction project status**

Cheri Halford presented the January 2010 construction project status report. No motion was made; the financial report was accepted by consensus.

**6. DISCUSSION AND POSSIBLE ACTION:**

**6A. Update concerning EIC Financial Information**

Mr. Crumrine, Mr. Massey and Mr. Duff met with city staff, consisting of Todd Parton, Mindy Wendele and Mike Erwin. Mr. Erwin presented to the Board his response to questions asked during that meeting. Investment objectives of the city are: a.) Safety b.) Liquidity c.) Diversification and d.) Yield. T-Bills as of February 2, 2010 are as follows: 6 months - .17%, 1 year - .29% and 2 years - .77%. The Administrative contract terminates on September 30, 2010, the cost of the contract is \$75,000 and the city agrees to provide engineering and project

management, legal services, financial Services and administrative services. The city currently pays \$300 a month to create monthly/quarterly investment reports. The two large investments with ViewPoint are collateralized and held by a bank in Dallas. Mr. Crumrine requested Mr. Erwin find out the name of the entity that has the bonds for the next meeting. The EIC special revenue and debt service funds are subject to modified accrual accounting. Revenues are measurable and available; expenditures are payments due and liquidated with available resources. Provided to the Board was the most recent Economic Development Corporation Report submitted to the Comptrollers Office.

6B. Update concerning Convention Center

Mr. Erwin updated the Board on the status of the convention center in Ms. Wendele's absence. Mr. Erwin noted that the convention center is on schedule and that there were about 50 people who showed for the pre-bid meeting and that the proposals are due on March 15, 2010.

6C. Update concerning Economic Development Task Force

Mr. Crumrine reviewed the request made by city council to appoint members to the KEDF Task Force and noted all the members participating on that committee. Mr. Crumrine stated that the work would be completed the week of February 15 and upon completion, a report would be submitted to City Council. Additionally, Mr. Crumrine expected a presentation to the EIC Board would be made during the next Board meeting on March 15, 2010 subject to city council's approval.

6D. Update concerning KEDF report on USDA ARS KBUSLIRL project status

Mr. Guy Overby, President of the KEDF, presented an update concerning the USDA project. The Board received construction packets outlining the progress of this project. Mr. Overby report that as of February 15, 2010 both the feasibility and the design & engineering phases have been completed for this project and federal funding has been secured for these phases as well. A letter writing campaign has been initiated by KEDF to all stake holders that will benefit from the research an technology from this project. KEDF receives letters of support periodically and once those letters have been record they are forwarded to the Secretary of Agriculture and the Chairman of the USDA. Letters of support are expected to be received from various local, state and out of state agencies in hopes to get full congressional support for the building of this facility. Mr. Overby emphasized how important it was to Kerrville to get this facility going and how appreciative supporters were of our efforts. KEDF has approached a high profile celebrity who has been affected by this problem as a spokesperson, the name was not ready to be released at the time of the meeting. Mr. Overby advised the Board to look over the EDSP and refamiliarize themselves with it before the March meeting. The EDSP strongly supports this project and efforts to assist in this project have been made on a local level. Once the local economic task force and other organizations have made their recommendations it is the desire that the committee has more of a daily presence on Capital Hill. Mr. Overby informed the Board that the 2010 Economic Delegation's trip Washington, D.C. is tentatively scheduled for September 16<sup>th</sup> through the 18<sup>th</sup> of this year. Additionally, due to lower interest rates the interest credited to EIC to cover the interest for the 2009 was approximately \$28,000.00 under the 2008 payment. Mr. Overby cannot anticipate any ARS funding for this year but efforts will be made in continuing to

gain momentum through letters of support. The Secretary of Agriculture is aware of the efforts being made and will address these issues when they are able. Mr. Crumrine questioned the structure of the note and Mr. Overby explained the first 2 years of the note are structured for interest only and years 3 through 5 are principle and interest not to exceed \$525,000.00 over the entire 5 year period.

Mr. Overby has been invited to Phoenix, AZ to speak with other surrounding states, including New Mexico, that are in support of this project in order to find if they would be willing to contribute more financially.

7. **EXECUTIVE SESSION:**

The Board did not meet in Executive Session.

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

No action was taken.

9. **ADJOURNMENT:**

Mr. Ferguson moved to adjourn the meeting; Mr. Hamilton seconded; motion passed 4-0. The meeting adjourned at 5:24 PM.

APPROVED: March 15, 2010

  
Bill Crumrine  
President

  
Teri Kinsey  
Admin. Assist. to the City Secretary