

AGENDA FOR REGULAR MEETING

CITY OF KERRVILLE, TEXAS

ECONOMIC IMPROVEMENT CORPORATION

MONDAY, APRIL 16, 2012, 4:00 P.M.

KERRVILLE CITY HALL COUNCIL CHAMBERS

800 JUNCTION HIGHWAY, KERRVILLE, TEXAS

**AGENDA FOR MEETING OF THE  
CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION  
REGULAR MEETING, MONDAY, APRIL 16, 2012, 4:00 P.M.  
KERRVILLE CITY HALL COUNCIL CHAMBERS  
800 JUNCTION HIGHWAY, KERRVILLE, TEXAS**

**CALL TO ORDER**

**INVOCATION**

**1. VISITORS/CITIZENS FORUM:**

Any citizen with business not scheduled on the agenda may speak to the 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 March 24, 2012.

**3. MONTHLY REPORTS:**

3A. Monthly financials for March 2012.

3B. Capital project update.

**4. INFORMATION AND DISCUSSION:**

4A. Update regarding River Trail and Parks projects (Rickert)

4B. Update on Kerrville Economic Development Corporation (Appel)

4C. Update regarding "Go" Team activities (Wendele)

**5. CONSIDERATION AND POSSIBLE ACTION:**

5A. Planning for future Improvement Projects

5B. A Resolution Authorizing the Submission of Documentation of Eminent Domain Authority in Texas to the Texas Comptroller; such documentation specifies the Economic Improvement Corporation's legal authority to exercise eminent domain and complies with Senate Bill 18. (staff)

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The facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this event. Please contact the City Secretary's Office at 830-258-1117 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: April 13, 2012 at 4:00 p.m. and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

Cheryl Brown  
Deputy City Secretary, City of Kerrville, Texas

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**6. EXECUTIVE SESSION:**

The Economic Improvement Corporation Board of Directors reserves the right to adjourn into executive session at any time to discuss any of the matters listed as permitted by law 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. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION**

**8. ADJOURNMENT**

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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: April 13, 2012 at 4:00 p.m. and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

Cheryl Brown  
Deputy City Secretary, City of Kerrville, Texas

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## **Agenda Item:**

2A. Approval of minutes of the regular meeting held March 19, 2012

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

**MARCH 19, 2012**

On Monday, March 19, 2012, the meeting of the directors of the City of Kerrville, Texas Economic Improvement Corporation, was called to order at 4:00 p.m. by Kenneth Early, Vice-President, in the City Hall Council Chambers, 800 Junction Highway, Kerrville, Texas.

**Members Present:**

Kenneth Early, Vice President  
Rex Boyland, Secretary  
Gary Cochran  
Larry Howard  
Stacie Keeble  
Polly Rickert

**Members Absent:**

Greg Appel, President

**City Staff Present:**

Todd Parton, City Manager  
Mike Hayes, City Attorney  
Cheryl Brown, Administrative Assistant  
Kristine Ondrias, Assistant City Manager  
Mike Erwin, Director of Finance  
Mindy Wendele, Director of Business Programs  
Malcolm Matthews, Director of Parks and Recreation  
Dieter Werner, Director of Engineering  
Kim Meismer, Director of General Operations

**Visitors Present:** Visitors list on file in the City Secretary's Office.

**INVOCATION:** Given by Secretary Rex Boyland.

1. **VISITORS/CITIZENS FORUM:** No one spoke.

2. **APPROVAL OF THE MINUTES:**

2A. Minutes of the regular meetings held February 27, 2012. Mr. Cochran moved for approval of the minutes of February 27, 2012; Ms. Rickert seconded the motion and it passed 6-0.

3. **MONTHLY REPORTS:**

3A. Monthly financials for February 2012. Mr. Erwin reported:  
-Sales tax received for January was \$265,380; overall, 2012 sales tax collected increased 15%, over last year, due to businesses generating more sales.

3B. Capital project update. Ms. Wendele reported:  
Harper Highway Project Phase I: Will be closed in the April budget amendment.  
\$15,000 will be held back for payment of remaining debts.

Harper Highway Project Phase II: Construction to start in May; 180 day completion.  
Commercial Improvement Program: No activity.  
Salvation Army Kroc Center: Project will be closed in the April budget amendment.

**4. INFORMATION AND DISCUSSION:**

4A. Update regarding River Trail and Parks projects (Rickert).

Mr. Matthews presented an update on the River Trail and Parks projects. He noted that bids have been planned for April 17, 2012. He also noted that the ground breaking is planned for April 28, 2012, and that invitations will be mailed.

4B. Update from the Kerrville Economic Development Corporation (KEDC)

Mr. Watson noted that Fox Tank was in production. They now have 60 employees, and hope to have 150 soon. Mr. Matthews noted that the title policy was not final. Paperwork was being completed for the final closing. Mr. Watson discussed several projects and potential businesses.

4C. Update regarding "Go" Team activities. (Wendele)

Ms. Wendele presented an update on the "Go" Team activities.

**5. CONSIDERATION AND POSSIBLE ACTION:**

5A. Economic development grant agreement between Kerrville Economic Development Corporation (KEDC) and the City of Kerrville, Texas Economic Improvement Corporation. Matter was deferred to executive session.

5B. Pasture lease agreement between USDA and the City of Kerrville, Texas Economic Improvement Corporation. Mr. Howard moved to proceed with execution of the proposed lease. Stacie Keeble seconded the motion and it was passed 5 – with members Kenneth Early, Gary Cochrane, Larry Howard, Stacie Keeble and Polly Rickert voting in favor of the motion and Mr. Boyland voting against the motion. After further discussion, Mr. Howard withdrew his motion. The board then instructed Mr. Hayes to draft a contract with USDA, including indemnification language, and an "opt out" paragraph, regarding the livestock currently on the property on Peterson Road.

**6. EXECUTIVE SESSION:**

Mr. Boyland moved that the Economic Improvement Corporation go into executive closed session under Section 551.071 (consultation with attorney), and Section 551.087 (deliberation regarding economic development negotiations) of Chapter 551 of the Government Code of the State of Texas; Mr. Cochrane seconded the motion, and it passed 6-0 to discuss the following matters:

Sections 551.071 and 551.087:

- Economic development grant agreement between Kerrville Economic Development Corporation (KEDC) and the City of Kerrville, Texas Economic Improvement Corporation.

At 5:00 p.m. the regular meeting recessed and the Board went into executive closed

session at 5:05 p.m. At 5:27 p.m. the executive closed session recessed and the Board returned to open session at 5:28 p.m.

Mr. Early announced that no action had been taken in executive closed session.

**7. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION**

Ms. Rickert moved to modify the contract to incorporate the mission and objectives from the current funding agreement for the KEDC, as well as the performance measures, by reference, from the six page document dated July 29, 2010 into an Exhibit A to the proposed contract. The contract will be signed "AS IS", with no modifications made. Mr. Howard seconded the motion, and it was approved 6-0.

**8. ADJOURNMENT**

Mr. Howard moved to adjourn, Mr. Boyland seconded the motion, and it was approved 6-0; the meeting was adjourned at 5:30 PM.

APPROVED: \_\_\_\_\_

\_\_\_\_\_  
Kenneth Early, Vice President

ATTEST:

\_\_\_\_\_  
Cheryl Brown, Deputy City Secretary

## **Agenda Item:**

3A. Report on monthly financials for March 2012

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

**SUBJECT:** EIC Financials

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**FOR AGENDA OF:** April 16, 2012    **DATE SUBMITTED:** April 11, 2012

**SUBMITTED BY:** Mike Erwin *ME*    **CLEARANCES:**  
Director of Finance

**EXHIBITS:** Monthly Financials  
**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:**

<b>Expenditure Required:</b>	<b>Current Balance in Account:</b>	<b>Amount Budgeted:</b>	<b>Account Number:</b>
\$	\$	\$	

**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE DIRECTOR OR FINANCE:**

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**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

<b>Cash Balance as of March 1, 2012</b>	<b>\$ 2,086,471</b>
Deposits:	
Sales Tax	\$ 186,812
Interest Revenue	\$ 1,053
	\$ 187,865
Expenses:	
Office Supplies	\$ 8
Public Notice	\$ -
Administrative Service Fee	\$ 8,333
Special Services - Category 1	
Special Services - Category 2	
Transfer for Debt Service	\$ 42,083
Transfer to Project Fund	\$ 250,000
Total Expenses	\$ 300,424
Revenues Over (Under) Expenditures	\$ (112,558)
<b>Ending Cash Balance as of March 31, 2012</b>	<b>\$ 1,973,911</b>
<b>Assigned Fund Balance - Park Improvements</b>	<b>\$ 100,000</b>
<b>Ending Cash Balance Available as of March 31, 2012</b>	<b>\$ 1,873,911</b>

City of Kerrville  
Economic Improvement Corporation  
Sales Tax Improvement Fund - Revenue and Expense Statement  
For the month ending March 31, 2012

	Annual Budget	Current Period	Y-T-D Actual	% of Budget	Budget Balance
<b>BEGINNING CASH BALANCE</b>	\$ 3,148,386	\$ 3,148,386	\$ 3,148,386		
<b>REVENUE:</b>					
Sales and Use Tax	\$ 2,433,897	\$ 186,812	\$ 1,287,147	52.88%	\$ 1,146,750
Interest	\$ 7,377	\$ 1,053	\$ 4,426	60.00%	\$ 2,951
Transfer In		\$ -	\$ -		
<b>TOTAL REVENUE</b>	<b>\$ 2,441,274</b>	<b>\$ 187,865</b>	<b>\$ 1,291,573</b>	<b>52.91%</b>	<b>\$ 1,149,701</b>

	Annual Budget	Current Period	Y-T-D Actual & Encumbrance	% of Budget	Budget Balance
<b>EXPENDITURES:</b>					
<b>Administrative</b>					
Advertising	\$ 100	\$ 8	\$ 112	-	\$ (12)
Transfer to Debt Service Fund	\$ 595,000	\$ 42,083	\$ 252,500	42.44%	\$ 342,500
Economic Development Governing Body	\$ 175,000	\$ -	\$ 175,000	100.00%	\$ -
Annual Disclosure Fee	\$ 3,400	\$ -	\$ -		\$ 3,400
Administrative Services Fee	\$ 100,000	\$ 8,333	\$ 50,000	50.00%	\$ 50,000
<b>Total Administrative</b>	<b>\$ 873,500</b>	<b>\$ 50,424</b>	<b>\$ 477,612</b>	<b>54.68%</b>	<b>\$ 395,888</b>
<b>Category I - Business Development</b>					
Hill Country Shooting Center			\$ -	100.00%	\$ -
Commercial Improve Pilot Program	\$ 50,000		\$ -	100.00%	\$ 50,000
Fox Tank	\$ 600,000				
Downtown Underground Utilities	\$ 300,000				
USDA			\$ 1,138,436		
Unspecified	\$ 777,725			0.00%	\$ 777,725
<b>Total Category I</b>	<b>\$ 1,727,725</b>	<b>\$ -</b>	<b>\$ 1,138,436</b>	<b>100.00%</b>	<b>\$ 827,725</b>
<b>Category II - Quality of Life</b>					
Schreiner University Project	\$ -	\$ -			\$ -
Hill Country Home Opportunity Program	\$ -		\$ 100,000	100.00%	\$ -
River Trail	\$ 250,000	\$ 25,000	\$ 100,000		
Category II Unspecified	\$ -			0.00%	\$ -
<b>Total Category II</b>	<b>\$ 250,000</b>	<b>\$ 25,000</b>	<b>\$ 200,000</b>	<b>80.00%</b>	<b>\$ 50,000</b>
<b>Category III - Public Infrastructure</b>					
Harper Hwy Extension	\$ 1,000,000	\$ 250,000	\$ 750,000	75.00%	\$ 250,000
<b>Total Category III</b>	<b>\$ 1,000,000</b>	<b>\$ 250,000</b>	<b>\$ 750,000</b>	<b>75.00%</b>	<b>\$ 250,000</b>
<b>Contingency</b>	\$ -			#DIV/0!	\$ -
<b>TOTAL EXPENDITURES</b>	<b>\$ 3,851,225</b>	<b>\$ 325,424</b>	<b>\$ 2,566,048</b>	<b>66.63%</b>	<b>\$ 1,523,613</b>
<b>NET REVENUES TO EXPENDITURES</b>	<b>\$ (1,409,950)</b>	<b>\$ (137,558)</b>	<b>\$ (1,274,475)</b>		

**ENDING CASH BALANCE: March 31, 2012**

Budget	Actual
\$ 1,738,435	\$ 1,873,911

	Pro Forma				
	2012	2013	2014	2015	2016
<b>Beginning Cash Balance</b>	\$ 1,909,950	\$ 500,000	\$ 2,188,596	\$ 4,031,046	\$ 5,935,496
<b>Revenue</b>					
Sales Tax	\$ 2,433,897	\$ 2,458,236	\$ 2,482,818	\$ 2,507,647	\$ 2,532,723
Interest	\$ 7,377	\$ 7,746	\$ 8,133	\$ 8,540	\$ 8,967
<b>Total Revenue</b>	<b>\$ 2,441,275</b>	<b>\$ 2,465,982</b>	<b>\$ 2,490,951</b>	<b>\$ 2,516,186</b>	<b>\$ 2,541,690</b>
<b>Expense</b>					
Special Services	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500
Promo (ED Gov)	\$ 175,000	\$ -	\$ -	\$ -	\$ 175,000
Administrative Services-City	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Commercial Improvement Program	\$ -	\$ -	\$ -	\$ -	\$ -
Other/Unspecified	\$ 2,977,725	\$ -	\$ -	\$ -	\$ -
Debt Service Transfer	\$ 595,000	\$ 673,886	\$ 545,001	\$ 508,236	\$ 511,386
<b>Total Expenditure</b>	<b>\$ 3,851,225</b>	<b>\$ 777,386</b>	<b>\$ 648,501</b>	<b>\$ 611,736</b>	<b>\$ 789,886</b>
<b>Revenue over Expense</b>	<b>\$ (1,409,950)</b>	<b>\$ 1,688,596</b>	<b>\$ 1,842,450</b>	<b>\$ 1,904,450</b>	<b>\$ 1,751,804</b>
	\$ -				
<b>Ending Cash Balance</b>	<b>\$ 500,000</b>	<b>\$ 2,188,596</b>	<b>\$ 4,031,046</b>	<b>\$ 5,935,496</b>	<b>\$ 7,687,300</b>

CITY OF KERRVILLE  
Economic Improvement Corporation  
Sales Tax Debt Service Fund

<b>Cash Balance as of March 1, 2012</b>		<b>\$ 149,059</b>
Revenues:		
Transfer from Sales Tax Improvements Fund	<u>\$ 42,083</u>	
Total Deposits	<u>\$ 42,083</u>	
Expenses:		
Paying Agent Fee		
Bond Principal		
Bond Interest		
Total Expenses	<u>\$ -</u>	
Revenues Over (Under) Expenditures:		<u>\$ 42,083</u>
<b>Ending Cash Balance as of March 31, 2012</b>		<b><u><u>\$ 191,143</u></u></b>

CITY OF KERRVILLE  
Economic Improvement Corporation  
Sales Tax Debt Service Fund  
Revenue and Expense Statement  
For the month ending March 31, 2012

	Annual Budget	Current Period	Y-T-D Actual	% of Budget	Budget Balance
<b>BEGINNING CASH BALANCE</b>	\$ 416,738		\$ 416,738		
<b>REVENUE:</b>					
Transfer from Sales Tax Improvement Fund	\$ 505,000	\$ 42,083	\$ 252,500	50.00%	\$ 252,500
Return of Equity - Park Lane Extension	\$ -			100.00%	\$ -
<b>TOTAL REVENUE</b>	\$ 505,000	\$ 42,083	\$ 252,500	50.00%	\$ 252,500
<b>EXPENDITURES:</b>					
Series 1999 Sales Tax Bond Debt Service	\$ 445,000	\$ 445,000	\$ 445,000	100%	\$ -
Series 1999 Sales Tax Bond Interest Expense	\$ 54,066	\$ 32,095	\$ 32,095	59%	\$ 21,971
Paying Agent Fees	\$ 1,000	\$ 1,000	\$ 1,000	100%	\$ -
First Southwest Continuing Disclosure Fee	\$ -	\$ -	\$ -	-	\$ -
<b>TOTAL EXPENDITURES</b>	\$ 500,066	\$ 478,095	\$ 478,095	95.61%	\$ 21,971
<b>ENDING CASH BALANCE: March 31, 2012</b>	Budget \$ 421,672		Actual \$ 191,143		

	Pro Forma				
	2012	2013	2014	2015	2016
<b>Beginning Cash Balance</b>	\$ 416,738	\$ 455,949	\$ 541,431	\$ 500,000	\$ 500,000
Revenue					
Transfer from Sales Tax Improvement Fund	\$ 595,000	\$ 673,886	\$ 545,001	\$ 508,236	\$ 511,386
<b>Total Revenue</b>	\$ 595,000	\$ 673,886	\$ 545,001	\$ 508,236	\$ 511,386
Expenditures:					
Series 1999 Sales Tax Bond Debt Principal	\$ 445,000	\$ 465,000	\$ 485,000	\$ -	\$ -
Series 1999 Sales Tax Bond Debt Interest	\$ 54,066	\$ 33,248	\$ 11,276	\$ -	\$ -
Paying Agent Fees	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Series 2011 Sales Tax Bond Debt Principal	\$ -	\$ -	\$ -	\$ 165,000	\$ 170,000
Series 2011 Sales Tax Bond Debt Interest	\$ 55,723	\$ 89,156	\$ 89,156	\$ 87,506	\$ 84,156
Series 2012 Sales Tax Bond Debt Principal	\$ -	\$ -	\$ -	\$ 175,000	\$ 180,000
Series 2012 Sales Tax Bond Debt Interest	\$ 33,442	\$ 79,730	\$ 79,730	\$ 79,730	\$ 76,230
<b>Total Expenditure</b>	\$ 555,789	\$ 588,404	\$ 586,432	\$ 508,236	\$ 511,386
Revenue over expenditures	\$ 39,211	\$ 85,482	\$ (41,431)	\$ (0)	\$ (0)
<b>Ending Cash Balance</b>	\$ 455,949	\$ 541,431	\$ 500,000	\$ 500,000	\$ 500,000

CITY OF KERRVILLE  
 Economic Improvement Corporation  
 SALES TAX REVENUE ANALYSIS

	Actual FY 2009	Actual FY 2010	Actual FY 2011	Approved FY 2012	Actual FY 2012	Difference Projected vs Actual	% of Projected Variance
October	\$ 195,050	\$ 179,735	\$ 184,602	\$ 173,576	\$ 219,934	\$ 46,358	26.71%
November	\$ 218,565	\$ 188,879	\$ 207,677	\$ 196,570	\$ 203,379	\$ 6,809	3.46%
December	\$ 202,043	\$ 170,981	\$ 169,550	\$ 174,136	\$ 208,227	\$ 34,091	19.58%
January	\$ 190,881	\$ 170,645	\$ 195,030	\$ 173,606	\$ 204,051	\$ 30,445	17.54%
February	\$ 239,208	\$ 236,837	\$ 241,320	\$ 236,995	\$ 264,744	\$ 27,749	11.71%
March	\$ 200,569	\$ 163,136	\$ 169,754	\$ 168,664	\$ 186,812	\$ 18,149	10.76%
April	\$ 259,861	\$ 160,461	\$ 157,729	\$ 167,740			
May	\$ 228,262	\$ 203,235	\$ 234,742	\$ 217,142			
June	\$ 181,835	\$ 182,429	\$ 186,441	\$ 177,831			
July	\$ 183,253	\$ 179,622	\$ 190,696	\$ 178,749			
August	\$ 219,318	\$ 221,711	\$ 238,491	\$ 218,448			
September	\$ 189,718	\$ 186,321	\$ 179,133	\$ 191,546			
<b>Total</b>	<b>\$ 2,508,562</b>	<b>\$ 2,243,991</b>	<b>\$ 2,355,166</b>	<b>\$ 2,275,000</b>	<b>\$ 1,287,147</b>	<b>\$ 163,601</b>	<b>14.56%</b>

CITY OF KERRVILLE  
Economic Improvement Corporation  
EIC Capital Projects Fund

<b>Cash Balance as of March 1, 2012</b>		<b>\$ 1,231,152</b>
Revenues:		
Transfer In	\$ 250,000	
Total Revenues/Transfer In	<u>\$ 250,000</u>	
Expenses:		
Services		
Special Services		
Salvation Army Center	42,506	
Hill Country Shooting Center	\$ 64,306	
Harper Hwy Utility Extention Phase 2	<u>\$ 6,983</u>	
	<u>\$ 113,794</u>	
Capital Outlay		
Capital Outlay Total		-
Total Expenses	\$ 113,794	
Revenue Over (Under) Expenditures		<u>\$ 136,206</u>
<b>Ending Cash Balance as of March 31, 2012</b>		<b><u><u>\$ 1,367,358</u></u></b>

**CITY OF KERRVILLE**  
**Economic Improvement Corporation**  
**Sales Tax Improvement Capital Projects Fund**

Project Status Summary  
For the month ending March 31, 2012

YEAR(S) FUNDED	PROJECTS	Funding Agreement	EIC Funding Agreement Commitment	EIC Funded To Date	Non-EIC Funding	Total Funded	Project Expenses to Date	Project Balance	EIC Future Allocation Balance
2006/07	Harper Highway Utility Extension	FA 2008-013	\$ 2,850,000	\$ 2,850,000	\$ 302,396	\$ 3,152,396	\$ 2,726,722	\$ 425,674	-
2007/08	Salvation Army Kroc Center	FA 2008-011	\$ 500,000	\$ 500,000		\$ 500,000	\$ 490,527	\$ 9,473	-
2008/09	Alamo Workforce	FA 2009-03	\$ 109,887	\$ 109,887		\$ 109,887	\$ 108,394	\$ 1,493	0
2009/10	Hill Country Home Opportunity	FA 2010-02	\$ 250,000	\$ 250,000		\$ 250,000	\$ 236,535	\$ 13,465	-
2009/10	Commercial Improvement Program		\$ 100,000	\$ 100,000		\$ 100,000	\$ 20,000	\$ 80,000	-
2010/11	Commercial Improvement Program		\$ 50,000	\$ 50,000		\$ 50,000	\$ -	\$ 50,000	-
2010/11	Hill Country Shooting Center	FA 2010-03	\$ 494,838	\$ 494,838		\$ 494,838	\$ 438,989	\$ 55,849	-
	Harper Hwy Utility Ext Phase 2		\$ 1,000,000	\$ 750,000		\$ 749,995	\$ 18,591	\$ 731,404	250,000
<b>TOTALS</b>			<b>\$ 5,354,725</b>	<b>\$ 5,104,725</b>	<b>\$ 302,396</b>	<b>\$ 5,407,116</b>	<b>\$ 4,039,757</b>	<b>\$ 1,367,359</b>	<b>250,000</b>

Cash Balance on 3/31/2012

\$ 1,367,359

## **Agenda Item:**

3B. Report on Capital Project Update (Wendele)

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

**SUBJECT:** Capitol Project Update

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**FOR AGENDA OF:** April 16, 2012

**DATE SUBMITTED:** April 9, 2012

**SUBMITTED BY:** Mindy N. Wendele    **CLEARANCES:**  
Director of Business Programs

**EXHIBITS:**

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:**

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<b>Expenditure</b>	<b>Current Balance</b>	<b>Amount</b>	<b>Account</b>
<b>Required:</b>	<b>in Account:</b>	<b>Budgeted:</b>	<b>Number:</b>
<b>\$</b>	<b>\$</b>	<b>\$</b>	

**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE FINANCE DIRECTOR:**

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**SUMMARY STATEMENT**

Attached is the April capital projects update.

**RECOMMENDED ACTION**



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

**SUBJECT:** Harper Highway Utility Extension - Phase 1

**FOR AGENDA OF:** April 16, 2012

**DATE SUBMITTED:** April 12, 2012

**SUBMITTED BY:** Dieter Werner, P.E.  
Director of Engineering

**CLEARANCES:** Kristine Ondrias  
Assistant City Manager

**EXHIBITS:**

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:**

<b>Expenditure</b>	<b>Current Balance</b>	<b>Amount</b>	<b>Account</b>
<b>Required:</b>	<b>in Account:</b>	<b>Budgeted:</b>	<b>Number:</b>
<b>\$3,103,405.00</b>	<b>\$308,307.14</b>	<b>\$3,152,395.72</b>	<b>E31</b>

**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE FINANCE DIRECTOR:**

**SUMMARY STATEMENT**

Final Acceptance by the City for the first phase of the Harper Highway Utility Extension project was issued to Nelson Lewis Construction on April 3, 2012. The project is scheduled to be closed with the budget amendment April 24, 2012.

**RECOMMENDED ACTION**

# EIC Status Report

April 2012

## Harper Highway Utility Extension – Phase One

<b>SCOPE</b>	The project consists of construction of approximately 12,495 linear feet of 12-inch water mains and 10,830 linear feet of 12-inch and 8-inch diameter wastewater main, including services, manholes, fire hydrants and fittings to serve the James Avery campus and residents along the City's ETJ.
<b>Status</b>	Construction has been completed and Final Acceptance was issued to the contractor April 3, 2012. Project is anticipated to be closed with a budget amendment April 2012.

PHASING	Action Item	Schedule (Status)	Task/Issues	Comments/Risks
Easement Acquisition or Property Agreements		Completed		
Annexation		Completed		
Design		Completed		
Bidding/Contracts		Bid March 2010; awarded to Nelson Lewis, Inc. June 2010	bid process, contract prep	
Construction		Start August 2010	Pre-construction – 08/02/10 Work to be completed – 02/24/12 Final Acceptance – 04/03/12	

FUNDING - BUDGET	Allocation	Expended - Encumbered	Balance	Cost Est. for Package	Needed to Complete Package
EIC funding (FA2008-013)	\$2,850,000				
Non-EIC	<u>302,396</u> \$3,152,396	\$2,844,089 [includes acquisition, construction, engineering design, and testing]	\$308,307		

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

**SUBJECT:** Harper Highway Utility Extension - Phase 2

**FOR AGENDA OF:** April 16, 2012

**DATE SUBMITTED:** April 12, 2012

**SUBMITTED BY:** Dieter Werner, P.E.  
Director of Engineering

**CLEARANCES:** Kristine Ondrias  
Assistant City Manager

**EXHIBITS:**

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:**

<b>Expenditure Required:</b>	<b>Current Balance in Account:</b>	<b>Amount Budgeted:</b>	<b>Account Number:</b>
<b>\$1,000,000.00</b>	<b>\$988,392.75</b>	<b>\$1,000,000.00</b>	<b>E50</b>

**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE FINANCE DIRECTOR:**

**SUMMARY STATEMENT**

Phase 2 of the Harper Highway Utility Extension project consists of the construction of approximately 4,600 linear feet of 12" water main and appurtenances from the north end of Old Harper road; thence west along the south line of Interstate I-10 right of way (R.O.W.) to Harper Road (RM 783); thence south along both east and west sides of RM 783 to its intersection with Old Harper Road. Installation of 12" wastewater main from the north end of Old Harper Road; thence west along the south line of Interstate I-10 R.O.W. to the west side of Harper Road (RM 783); thence south along the west line of RM 783 to a property owned by Kerrville Bible Church; and installation of 12" wastewater main from the intersection of Old Harper Road and Town Creek Road; thence north along the west line of RM 783 to the property north of Northpoint Investors, LTD. Property. In all, the sanitary sewer for this Phase 2 project includes approximately 3,000 linear feet of wastewater main and appurtenances.

Construction plans are approved and the project is scheduled to begin advertising on April 20, 2012. TxDOT approval has been granted for installation of the utility within the control of access area within the I-10 right of way, and general utility construction permits for TxDOT right of way construction within the I-10 and RM 783 R.O.W.s are under review by TxDOT. Finalization of easement acquisition is in progress. This project is scheduled to bid at the end of April 2012 with construction anticipated to commence in June 2012.

**RECOMMENDED ACTION**

022

# EIC Status Report

April 2012

## Harper Highway Utility Extension – Phase Two

SCOPE
<ul style="list-style-type: none"> <li><b>Phase Two</b> Projects consists of the construction of approximately 4,600 linear feet of 12" water main &amp; appurtenances from the North end of Old Harper Road; thence west along the south line of Interstate I-10 R.O.W. to Harper Road (RM 783); thence south along both the east &amp; west side of RM 783 to its intersection with Old Harper Road; thence, east along Old Harper Road to its intersection with Town Creek Road; Installation of 12" wastewater main from the North end of Old Harper Road; thence west along the south line of Interstate I-10 R.O.W. to the West side of Harper Road (RM 783); thence south along the west line of RM 783 to a property owned by the Kerrville Bible Church; and installation of 12" wastewater main from the intersection of Old Harper Road and Town Creek Road; thence Southwest along Old Harper Road to the west side of Harper Road (RM 783); thence North along the west line of RM 783 to the property North of the Northpoint Investors, LTD. property. In all, the sanitary sewer for this Phase 2 project includes approximately 3,000 linear feet of wastewater main &amp; appurtenances.</li> </ul>
<p><b>Status</b> Construction plans are approved project is scheduled to bid in April 2012, with award for construction in May 2012.</p>

PHASING	Action Item	Schedule (Status)	Task/Issues	Comments/Risks
Easement Acquisition or Property Agreements	6 easements to CoK completed through Legal and ready for execution by property owner 1 easement (Howard) in negotiation Pending approval from TxDOT for construction approval within Control of Access area in TxDOT right of way.	complete by 3/31/12  complete by 3/31/12 Pending approval; anticipate approval by end of February 2012		will require Austin office approval
Misc. Reports/Permits	TxDOT Permits	Pending	General construction permits for construction within TxDOT right of way	
Design	under contract – HDR Engineering	End of February 2012		
Construction Drawings	final plans/specs/costs/ documents	complete by 3/02/12	all project elements	
Bidding/Contracts	secure contractor	Bid March 2012; award April 2012	bid process, contract prep	
Construction	build project	start June 2012; complete Dec. 2012		

FUNDING - BUDGET	Allocation	Expended - Encumbered	Balance	Cost Est. for Package	Needed to Complete Package
EIC funding (FA2008-013)	\$1,000,000		\$1,000,000		

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

**SUBJECT:** Salvation Army Kroc Center Site Work and Drainage Improvements

**FOR AGENDA OF:** April 16, 2012

**DATE SUBMITTED:** April 12, 2012

**SUBMITTED BY:** Dieter Werner, P.E.  
Director of Engineering

**CLEARANCES:** Kristine Ondrias  
Assistant City Manager

**EXHIBITS:**

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:**

<u>Expenditure</u>	<u>Current Balance</u>	<u>Amount</u>	<u>Account</u>
<u>Required:</u>	<u>in Account:</u>	<u>Budgeted:</u>	<u>Number:</u>
EIC \$500,000.00	\$9,472.80	\$500,000.00	E40
Non-EIC \$902,000.00	\$29,692.01	\$902,000.00	G78

**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE FINANCE DIRECTOR:**

**SUMMARY STATEMENT**

Project consists of constructing retaining walls, sidewalks, walking trails, fencing, replacement of sanitary sewer and other associated improvements related to the Salvation Army Kroc Center including site preparation, grading and drainage. The construction contract was awarded to Yantis Company (Contractor) during the May 12, 2009 City Council meeting. On June 8, 2010, Council authorized the increase of the Yantis Contract and authorized the release of the remainder funds to cover change orders. Final acceptance has been issued to the Contractor and the project is ready for closure.

**RECOMMENDED ACTION**

**EIC Status Report**

**April 2012**

**Salvation Army Kroc Center Site Work and Drainage Improvements**

<b>SCOPE</b>
<p>Project consists of constructing retaining walls, sidewalks, walking trails, fencing, replacement of sanitary sewer and other associated improvements related to the Salvation Army Kroc Center including site preparation, grading and drainage. The construction contract was awarded to Yantis Company (Contractor) during the May 12, 2009 City Council meeting. On June 8, 2010, Council authorized the increase of the Yantis Contract and authorized the release of the remainder funds to cover change orders. Final acceptance has been issued to the Contractor and the project is ready for closure.</p>

<b>FUNDING - BUDGET</b>	<b>Allocation</b>	<b>Expended - Encumbered</b>	<b>Balance</b>	<b>Comments</b>
EIC funding (FA2008-011)	\$500,000	\$490,527.20	\$9,472.80	

## **Agenda Item:**

4A. Update regarding River Trail and Parks projects

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

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**SUBJECT:** EIC Monthly Report

**FOR AGENDA OF:** April 16, 2012      **DATE SUBMITTED:** April 12, 2012

**SUBMITTED BY:** Malcolm Matthews      **CLEARANCES:** Kristine Ondrias

**EXHIBITS:** Monthly Report

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:**

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<b>Expenditure</b>	<b>Current Balance</b>	<b>Amount</b>	<b>Account</b>
<b>Required:</b>	<b>in Account:</b>	<b>Budgeted:</b>	<b>Number:</b>
<b>\$</b>	<b>\$</b>	<b>\$</b>	

**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE FINANCE DIRECTOR:**

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**SUMMARY STATEMENT**

EIC Monthly Report on the River Trail and the Louise Hays and Lehmann & Monroe Parks projects.

**RECOMMENDED ACTION**

No action required.

# EIC 4B Projects Status Report

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## River Trail and Parks Projects

April 16, 2012

4B Funds  
\$6,000,000 (River Trail)  
\$2,000,000 (Louise Hays and Lehmann & Monroe Parks Renovation)

# EIC Status Report Kerrville River Trail

## Package A

### SCOPE

Package A extends from a new trailhead at the Riverside Nature Center parking lot, along the west property line of the RNC, down to the river's edge, under the Lemos St. Bridge, construction of a trail bridge across the river, through Tranquility Island, to the west end of the parking area in Louise Hays Park. The 10' wide trail will be constructed of concrete, except for the segment that runs along the RNC western property line. Total trail length: 0.6 miles

### Amenities

Trailheads with lighting, observation areas, seating areas, trail bridge, drainage, and signage. [Note: additional amenities, such as trail entries, kiosks, and interpretive signage, will be added with future packages, once designed with future packages.]

PHASING	Action Item	Schedule (Status)	Task/Issues	Comments/Risks
Recreation easements or Property Agreements	easement to CoK from RNC	complete by 4/31/12	RNC to provide easement to City	requires RNC approval
	lease renewal to RNC of CoK property	complete by 4/31/12	City to provide lease to RNC	requires City Council approval
	approval from TxDoT for use of Lemos St. r.o.w.	submit by 4/31/12	TxDOT approval of plans and Const./Maint. Agreement	will require SA office approval; include in MMA
Property Survey	construction easements, if needed	NA	NA	NA
	M&B and Topo surveys	11/31/11 (complete)	identify property boundary and grades	
Misc. Reports/Permits	LOMR	submit 7/31/12	flood level impact, if any	submittal to FEMA
	TPWD (land & water permit)	(complete)	coffer dam - bridge construction review	review by TPWD
Design	USACE	(complete)	Determine any jurisdictional waters of the US; response expected 3/23/12	could require USACE individual permit
	under contract - Hewitt Engineering			
Routing	location of trail	12/31/11 (complete)	define gradients and layout (complete)	
	schematic plans with amenities	50% review - 12/2/11 (complete)	all project elements	
	prelim. costs	75% review - 1/13/12 (complete) 90% review - 2/20/12 (complete)	all project elements all project elements	
Construction Drawings Bidding/Contracts	final plans/specs/costs/ documents	(complete)	all project elements	
	secure contractor	Bid March 2012; award May 2012	bid process, contract prep	project delay, bid cost, permit approvals, etc.
Construction	build project	start May 2012; complete Sept. 2012	sequencing of work	typical delays/field alterations

FUNDING - BUDGET		Allocation	Expended - Encumbered	Balance	Cost Est. for Package	Needed to Complete Package
G.O. bonds (2002) Park Dedication Funds	\$500,000 25,000 \$525,000	\$147,112 [includes completion of the River Trail Master Plan and survey work]	\$377,888	[Final cost est. to be avail. 2/28/12] *(prelim. construction est. w/ contingencies - \$630,000)		
COs (4B)	\$*					*(prelim. est. of \$252,112 needed in 4B funds)

## EIC Status Report Kerville River Trail

## Package B, Package C, and Parks Project

### SCOPE

**Package B, Package C, and Parks Project** extends the trail from Guadalupe Park, connects to Package A at the RNC and picks up at the west end of the Louise Hays Park parking lot, through Louise Hays Park and Lehmann & Monroe Park, to G St. r.o.w. The 10' wide trail will be constructed of concrete. This Package will be coordinated with the Jefferson Wastewater Project and Water Transmission Line Project, both slated for completion in the first half of 2013. This Package will include the entire scope of work for the Louise Hays Park/Lehmann & Monroe Park Project, as funded by 4B. Total trail length: 2.5 miles

### Amenities

Trail - trailheads with lighting, observation areas, seating areas, bridging, drainage, signage, trail entries, kiosks, and interpretive signage.  
Parks - park amenities, amphitheater/stage, playground/sprayground, picnic areas, group pavilion upgrades, river access, restrooms, parking, lighting, utilities, landscaping, and signage.

PHASING	Action Item	Schedule (Status)	Task/Issues	Comments/Risks
Recreation easements or Property Agreements	easements to CoK from property owners	complete by 1/31/13	CoK to secure easements from property owners; title work and surveys	requires property owner approval, purchase, or other; coord. possible use of KSH property.
	construction easements, if needed	complete by 1/31/13 (partially complete)	determine need by 11/30/12	requires property owner approval
Property Survey	M&B and Topo surveys		identify property boundary and grades	
	LOMR		flood impact, if any	may require submittal to FEMA
Misc. Reports/Permits	TPWD (land & water permit)		if needed	review by TPWD
	GLO (state property use)	6/1/12	routing preference	approval by State, if needed
Design	-Trail Confirmation/Cost agreement - Halff team	approval 3/19/12	define route options w/ costs	complete March 20; prior to final design contract
	-Final Design Contract - Half Team	negotiate by 4/14/12	all remaining design phases	requires Council approval (May)
Preliminary Design	schematic plan with amenities; prelim. costs	50% review - (partially complete) 75% review - 90% review -	all project elements all project elements all project elements	coord. with utilities projects
Construction Drawings Bidding/Contracts	final plans/specs/costs/ documents	complete by	all project elements	
	secure contractor	late 2013	bid process, contract prep	project delay assoc. with approvals
Construction	build project	early 2014	sequencing of work	project delay, bid cost, etc. typical delays/field alterations

FUNDING - BUDGET		Allocation	Expended - Encumbered	Balance	Cost Est. for Package	Needed to Complete Package
COs (4B) [will include LHP/LMP Renovation Project 4B funding]						

## EIC Status Report Kerville River Trail

### Package D

SCOPE
<p>Package D extends from a new trailhead at the Knapp Crossing Boat Ramp parking lot, runs adjacent to the river, ties into the Guadalupe St. r.o.w. (Package C). The 10' wide trail will be constructed of concrete. <i>TBD - this package's design/construction expected to be integrated with private sector improvements. Total trail length: 0.2 miles</i></p> <p><b>Amenities</b> Trailheads with lighting, observation areas, seating areas, trail bridge, drainage, signage, trail entries, kiosks, interpretive signage, and private improvement interface.</p>

PHASING	Action Item	Schedule (Status)	Task/Issues	Comments/Risks
Recreation easements or Property Agreements	easement to CoK from property owners	complete by 1/31/13	CoK to secure easements from property owners	requires property owner approval, purchase, or other
	construction easements, if needed	complete by 1/31/13	determine need by 11/30/12	requires property owner approval
Property Survey	M&B and Topo surveys	(partially complete)	identify property boundary and grades	
Misc. Reports/Permits	LOMR		flood impact, if any	may require submittal to FEMA
	TPWD (land & water permit)		if needed	review by TPWD
Design	TBD	(partially complete)		
Routing	location of trail	(partially complete)	define gradients and layout	
Preliminary Design	schematic plan with amenities; prelim. costs	50% review -	all project elements	
		75% review -	all project elements	
Construction Drawings Bidding/Contracts	final plans/specs/costs/ documents	90% review -	all project elements	
	secure contractor	complete by late 2013	all project elements	project delay assoc. with approvals
Construction	build project	early 2013	bid process, contract prep	project delay, bid cost, etc.
			sequencing of work	typical delays/field alterations

FUNDING - BUDGET		Allocation	Expended - Encumbered	Balance	Cost Est. for Package	Needed to Complete Package
COs (4B)						

**Package E**

**EIC Status Report Kerrville River Trail**

**SCOPE**

Package E extends from near the Spur 98 bridge on Junction Hwy along the river's edge, connect to a new trailhead at the Cypress Boat Ramp parking lot, to the trailhead at the Knapp Crossing trailhead. The 10' wide trail will be constructed of concrete. *Total trail length: up to 1 mile*

**Amenities**

Trailheads with lighting, observation areas, seating areas, trail bridge, drainage, signage, trail entries, kiosks, and interpretive signage.

PHASING	Action Item	Schedule (Status)	Task/Issues	Comments/Risks
Recreation easements or Property Agreements	easement to CoK from property owners	complete by 1/31/13	CoK to secure easements from property owners	requires property owner approval, purchase, or other
	construction easements, if needed	complete by 1/31/13 (partially complete)	determine need by 11/30/12	requires property owner approval
Property Survey	M&B and Topo surveys	(partially complete)	identify property boundary and grades	
	LOMR		flood impact, if any	may require submittal to FEMA
Design	TPWD (land & water permit)		If needed	review by TPWD
	-Trail Confirmation/Cost agreement - Halff team	approval 3/19/12	define route options w/ costs	complete March 20; prior to final design contract
Preliminary Design	-Final Design Contract - Halff Team	negotiate by 4/14/12	all remaining design phases	requires Council approval (May)
	schematic plan with amenities, prelim. costs	50% review - (partially complete)	all project elements	coord. with utilities projects
		75% review -	all project elements	
Construction Drawings	final plans/specs/costs/documents	complete by late 2013	all project elements	project delay assoc. with approvals
	secure contractor	early 2014	bid process, contract prep	project delay, bid cost, etc.
Bidding/Contracts	build project		sequencing of work	typical delays/field alterations
Construction				

FUNDING - BUDGET	Allocation	Expended - Encumbered	Balance	Cost Est. for Package	Needed to Complete Package
COs (4B)					

# EIC Status Report Kerrville River Trail

## Package F

**SCOPE**  
**Package F** extends from G St. (Package B) along the river to Kerrville Schreiner Park. The 10' wide trail will be constructed of concrete. Consultant team scope will include design criteria used throughout the River Trail Project. *Total trail length: 1.9 miles*

**Amenities**  
 Trailheads with lighting, observation areas, seating areas, trail bridge, drainage, signage, trail entries, kiosks, and interpretive signage.

PHASING	Action Item	Schedule (Status)	Task/Issues	Comments/Risks
Recreation easements or Property Agreements	easement to CoK from property owners	complete by 1/31/13	CoK to secure easements from property owners	requires property owner approval, purchase, or other
Property Survey	construction easements, if needed	complete by 1/31/13	determine need by 1/30/12	requires property owner approval
Misc. Reports/Permits	M&B and Topo surveys	partially complete	identify property boundary and grades	coord. w/ utilities projects
	LOMR		flood impact, if any	may require submittal to FEMA
Design	TPWD (land & water permit)		if needed	
	-Trail Confirmation/Cost agreement - Terra Design Group (TDG) team	approval 3/19/12	define route options w/ costs	complete March 20; prior to final design contract
Preliminary Design	-Final Design Contract - TDG Team	negotiate by 4/14/12	all remaining design phases	requires Council approval (May)
	schematic plans with amenities; prelim. costs	50% review - 75% review - 90% review -	all project elements all project elements all project elements	coord. with utilities projects
Construction Drawings Bidding/Contracts	final plans/specs/costs/ documents	complete by	all project elements	project delay assoc. with approvals
	secure contractor	early 2013	bid process, contract prep	project delay, bid cost, etc.
Construction	build project	mid 2013	sequencing of work	typical delays/field alterations

FUNDING - BUDGET	Allocation	Expended	Encumbered	Balance	Cost Est. for Package	Needed to Complete Package
COs (4B)						

## **Other Services to be Evaluated**

Required reporting and permitting may dictate additional professional services or consolidation of services currently assigned to the design teams. These include, but are not limited to, the following.

1. Floodplain/Floodway Impact, Hydraulic Analysis, Section 404 – Clean Water Act submittals (Corps of Engineers), and Flood Insurance Rate Map/ Letter of Map Revision preparation and submittal (CoK, FEMA) may be best completed by one firm in order to comprehensively address the issues and data collection/reporting. This could avoid multiple submittals (costs) and reduce mistakes and need for resubmittals. We will make a determination on this approach in the near future.
2. Archeological and Environmental Surveys and Section 404 review will need to be completed in areas where sensitive site conditions are probable. We anticipate now extreme findings in the initial surveys/reports; however, if further study is required by state or federal agencies, those services will require amendments to the consultant contracts.
3. TDLR permitting for ADA compliance, CoK building permits, Texas Historical Commission plan review, any other city or state agency submittals, will best be submitted by each of the design teams at the time of plan completion. This keeps regulation compliance with the design teams.

## **Agenda Item:**

4C. Update regarding "Go" Team activities (Wendele)

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

**SUBJECT:** 'Go' Team Update – April 2012

**FOR AGENDA OF:** April 16, 2012

**DATE SUBMITTED:** April 9, 2012

**SUBMITTED BY:** Mindy N. Wendele  
Director of Business Programs

**CLEARANCES:**

**EXHIBITS:**

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:**

<b>Expenditure Required:</b>	<b>Current Balance in Account:</b>	<b>Amount Budgeted:</b>	<b>Account Number:</b>
\$	\$	\$	

**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE FINANCE DIRECTOR:**

**SUMMARY STATEMENT**

'Go' Team members have not met this month. No applications received or pending.

**RECOMMENDED ACTION**

For discussion.

## **Agenda Item:**

5B. A Resolution Authorizing the Submission of Documentation of Eminent Domain Authority in Texas to the Texas Comptroller; such documentation specifies the Economic Improvement Corporation's legal authority to exercise eminent domain and complies with Senate Bill 18. (staff)

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

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**SUBJECT:** A RESOLUTION AUTHORIZING THE SUBMISSION OF DOCUMENTATION OF EMINENT DOMAIN AUTHORITY IN TEXAS TO THE TEXAS COMPTROLLER; SUCH DOCUMENTATION SPECIFIES THE ECONOMIC IMPROVEMENT CORPORATION'S LEGAL AUTHORITY TO EXERCISE EMINENT DOMAIN AND COMPLIES WITH SENATE BILL 18

**AGENDA DATE:** April 16, 2012

**DATE SUBMITTED:** April 10, 2012

**SUBMITTED BY:** Mike Hayes, Attorney for the EIC

**EXHIBITS/INFORMATION:** Resolution, attachment

**APPROVED FOR SUBMITTAL BY CITY MANAGER:**

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<b>Expenditure</b>	<b>Current Balance</b>	<b>Amount</b>	<b>Account</b>
<b>Required:</b>	<b>in Account:</b>	<b>Budgeted:</b>	<b>Number:</b>
<b>\$0.00</b>	<b>\$ NA</b>	<b>\$ NA</b>	<b>NA</b>

**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE FINANCE DIRECTOR:**

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**SUMMARY STATEMENT**

Senate Bill 18, enacted by the Texas Legislature last year, went into effect on September 1, 2011. This law requires that Texas cities, and all other public and private entities authorized to exercise the power of eminent domain (condemnation) in Texas, must submit a letter to the Texas Comptroller detailing their legal authority to exercise such power in order to maintain that power. The law provides that any entity that fails to submit a letter by Dec. 31, 2012, will see their eminent domain power expire on Sept. 1, 2013. Thus, the EIC must comply with the statute and submit the form or it will lose the authority to condemn property after the deadline. It is unclear if or how an entity may regain the power of eminent domain if it fails to comply with these requirements. City Council has already adopted a similar resolution and reserved its right to exercise eminent domain.

In response to the new law, the Texas Comptroller has drafted a form letter that entities may complete and submit to the Comptroller. The critical information required in the letter to the Comptroller includes a reference to the state law that grants the particular entity the power of eminent domain.

Attached is a Resolution which if adopted, will comply with the law. The Resolution

includes an attachment, which is the completed form letter that the EIC may send to the Comptroller.

As you may know, the City rarely condemns property and I do not believe that the EIC has ever done so. As to the City, over the past 10 years, the City has utilized eminent domain to condemn only two properties, both of which were for utility easements. The 1st one required condemnation because the unoccupied property had an unknown and confusing ownership history. The 2nd property involved an easement along the edge of the property and the two owners of the property could not agree among themselves as to the easement or its value. Under state law, for the EIC to utilize eminent domain, it would first need the Council's permission.

### **RECOMMENDED ACTION**

Consideration and approval of a Resolution which will authorize the submission of the Documentation of Eminent Domain Authority in Texas to the Texas Comptroller pursuant to Senate Bill 18.

CITY OF KERRVILLE, TEXAS  
ECONOMIC IMPROVEMENT CORPORATION  
RESOLUTION NO. \_\_\_-2012

A RESOLUTION AUTHORIZING THE SUBMISSION OF DOCUMENTATION OF EMINENT DOMAIN AUTHORITY IN TEXAS TO THE TEXAS COMPTROLLER; SUCH DOCUMENTATION SPECIFIES THE ECONOMIC IMPROVEMENT CORPORATION'S LEGAL AUTHORITY TO EXERCISE EMINENT DOMAIN AND COMPLIES WITH SENATE BILL 18

WHEREAS, Senate Bill 18 ("SB 18"), enacted by the Texas Legislature during its most recent session, went into effect on September 1, 2011, and requires Texas cities and other entities, including the City of Kerrville, Texas, Economic Improvement Corporation ("EIC"), to submit a letter to the Texas Comptroller detailing a particular entity's legal authority to exercise eminent domain; and

WHEREAS, the EIC, pursuant to Section 505.105 of the Texas Local Government Code, is authorized to exercise the power of eminent domain but only upon approval of the City Council of the City of Kerrville, Texas, and in accordance with and subject to the laws applicable to the City's exercise of eminent domain; and

WHEREAS, under SB 18, the EIC must submit such a letter to the Texas Comptroller by December 31, 2012, in order to maintain the authority to use eminent domain; otherwise, SB 18 provides that any entity with eminent domain authority that fails to submit a letter by December 31, 2012, will see their condemnation power expire on September 1, 2013; and

WHEREAS, the Texas Comptroller has drafted a form that entities may complete and submit to the Comptroller which complies with SB 18; and

WHEREAS, the EIC Board of Directors finds it to be in the public interest to comply with SB 18 by submitting the required information to the Texas Comptroller;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF KERRVILLE, TEXAS, ECONOMIC IMPROVEMENT CORPORATION:**

The President of the EIC, in strict accordance with SB 18 and its mandated procedures and timelines, is authorized to complete and submit the *Required Documentation of Eminent Domain Authority in Texas* to the Texas Comptroller. Said completed form is attached as Exhibit A.

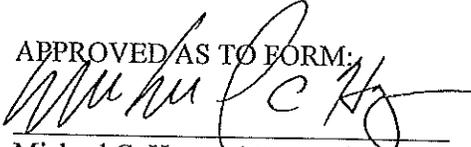
PASSED AND APPROVED ON this the \_\_\_\_ day of \_\_\_\_\_ A.D., 2012.

\_\_\_\_\_  
Gregg Appel, President

ATTEST:

\_\_\_\_\_  
Cheryl Brown, Secretary

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Michael C. Hayes, Attorney for the EIC



# Required Documentation of Eminent Domain Authority in Texas

**What action must be taken:** Per Senate Bill 18 enacted by the 82nd Legislature, all public and private entities authorized to exercise the power of eminent domain in Texas are required to submit a letter to the Comptroller of Public Accounts detailing their legal authority to exercise this power. The letter must be sent by certified, return receipt mail not later than December 31, 2012. (Per the bill, the authority of an entity to exercise the power of eminent domain expires on September 1, 2013, unless the letter has been submitted by the deadline.)

**About this form:** This form is designed to guide entities in submitting the required information on eminent domain authority. Once the fields have been completed, the form can be printed and mailed via certified, return receipt to the address provided to meet the requirements of the bill.

## Entity Information

- 1. Full, legal name of entity: City of Kerrville, Texas, Economic Improvement Corporation
- 2. Alternate name of entity (if any): \_\_\_\_\_
- 3. Primary address: Street or P.O. Box 800 Junction Highway  
City, State, Zip Code Kerrville, TX 78028
- 4. Primary phone number (with area code): 830-257-8000
- 5. Entity contact: First name Todd Last name Parton  
Phone number (with area code): 830-258-1500 E-mail address: todd.parton@kerrvilletx.gov
- 6. Alternate contact: First name Brenda Last name Craig  
Phone number (with area code): 830-258-1502 E-mail address: brenda.craig@kerrvilletx.gov

## Eminent Domain Authority

- 7. Does your entity have eminent domain authority in Texas?  Yes  No
- 8. If "yes" to question 7, please identify all of the applicable provisions of state law that grant eminent domain authority to this entity. Please cite as Title of Code or Article, Section Number/Name (for example, Texas Government Code, Section 43.136 or Article 7849, Auxiliary Water Laws).

Tex. Loc. Gov't Code § 505.105

- 9. Please indicate the first year in which this entity exercised eminent domain authority (if known): N/A, To date, not

**DISCLAIMER:** Chapter 2206, Subchapter C, Government Code (as added by Senate Bill 18, 82nd Regular Session) requires the Comptroller of Public Account to collect information and report to the Legislature all entities in the state of Texas that have the authority to exercise the power of eminent domain. Entities that provide information to the Comptroller represent and warrant that the information is accurate and complete to the best of their knowledge. Entities that provide information acknowledge that it is their responsibility to submit a letter by certified mail, return receipt requested to the Comptroller's office, indicating that the Entity is authorized to exercise eminent domain authority and to identify each law that grants such authority. The Entity further acknowledges that the Comptroller's office is not responsible to submit said letter, nor is it responsible for the Entity's failure to submit said letter as required by law, and that such failure may cause the entity's power of eminent domain to expire on September 1, 2013. The Entity also acknowledges that the Comptroller of Public Accounts is a state agency subject to Chapter 552 of the Texas Gov't Code (the "Texas Public Information Act") and court interpretations thereof, and that the information submitted to this office may be subject to disclosure to the public under Section 552.101, et seq., of the Code.

Under Ch. 559, Government Code, you are entitled to review, request, and correct information we have on file about you, with limited exceptions in accordance with Ch. 552, Government Code. To request information for review or to request error correction, contact us at the address on this form or sb18compliance@cpa.state.tx.us.

By signing, I agree that the information is true and correct.

Mail this form via certified mail to:  
COMPTROLLER OF PUBLIC ACCOUNTS  
P.O. Box 13942  
Austin, Texas 78711

**sign here**   
\_\_\_\_\_  
Signature  
Gregg Appel/President  
\_\_\_\_\_  
Print Name/Title

April 16, 2012  
\_\_\_\_\_  
Date  
830-258-1500  
\_\_\_\_\_  
Phone (area code and number)