

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

JANUARY 14, 2019

On Monday, January 14, 2019, the regular meeting of the members of the City of Kerrville, Texas Economic Improvement Corporation, was called to order at 4:01 p.m. by Kenneth Early, President, in the Council Chambers at City Hall, at 701 Main Street, Kerrville, Texas. Mr. Naman offered the invocation.

Members Present:

Kenneth Early, President
Maggie Megee
Gary Cooper
Robert Naman
Delayne Sigerman
Don Barnett

Members Absent:

Kent McKinney, Vice President

City Executive Staff Present:

Mark McDaniel, City Manager
E.A. Hoppe, Deputy City Manager
Mike Hayes, City Attorney
Sana Waller, Interim Deputy City Secretary
Amy Dozier, Finance Director

Visitors Present: Visitor list available in the City Secretary's Office for the required retention period.

1. VISITORS/CITIZENS FORUM: None

2. APPROVAL OF MINUTES:

2A. Approval of minutes for the regular EIC meeting held on December 17, 2018.

Ms. Sigerman moved to approve the minutes. Mr. Cooper seconded the motion and the motion passed 6-0.

3. MONTHLY REPORTS:

3A. Monthly financials for November 2018.

Ms. Dozier reported that the EIC operating fund received sales tax revenue of \$295,154 for December 2018, which was a 17.1% increase compared to December 2017. December 2018 Sales tax included prepayment by a large retailer and a prior period payment from a utility. After adjusting for the one-time activity, sales tax is up 5.6% led by increases in food service, construction and retail.

Interest income for the month was \$7,318. EIC's money is invested entirely in TexPool, which is earning 2.59% as of January 9, 2019. The investment is completely liquid and can be used to fund projects at any time.

Expenditures for the month were \$277,682, which included a payment to KEDC for the first 2 quarters of the year, budgeted transfers for debt service and the administrative service fee plus a \$100,000 transfer to the Project Fund for the Administrative Set Aside (\$50,000), and remaining Tennis Center funding (\$50,000).

During December, the Project Fund received the \$100,000 transfer noted above.

3B. Projects update:

Mr. Hoppe made the following reports:

River Trail Extension to Schreiner University

This was approved by the City Council at their first meeting in January. We are moving forward with the Scope of the Design Engineering Services and anticipate having that on an upcoming Council agenda in the near term.

Reuse Distribution Lines

Basically complete and we are going back through and continuing the analysis of reworking the situation along the Guadalupe River crossing and continue to assess disaster recovery fund for both the removal of the aerial pipe bridge, as well as the long term fix for that.

We just completed the preliminary Texas Water Development Board application for that effort and are hopeful that it has been pre-approved so we are moving that process forward and we think we will have a very viable funding source for it to be completed. We are evaluating interim strategies to make sure we are covered during the spring into summer, the high demand period, to see what we need to do to meet our customer needs.

Tennis Center Improvements:

We have let that construction project and have a preconstruction meeting later this month and this project is moving forward.

Aquatics Feasibility Study:

We are reviewing the elements that the community has shown an interest in pursuing and putting some numbers to that. We have some preliminary estimates and are evaluating what all the community desires, what the City can afford, and see how that matches up.

Legion Lift Station:

The construction contract was let at the last City Council meeting, allowing us to move forward. The winning bid came in at \$5.5M making the total project at \$7.7M. The project was pre-funded with TWDB funding and EIC funding to be at

about \$10M. The EIC funding will be “first in first out” in regards to construction process. Those will be the first dollars spent, then we will be re-evaluating that \$2.2 (approx.) remainder with our City Council on how they want to proceed with the TWDB funds to see if they want to take the “difference” or see if they want to look at reapplying with TWDB for some other applicable project that would be within that TWDB budget.

3C. Report from Kerr Economic Development Corporation (KEDC):
Mr. Gil Salinas gave an update of the meetings he has had over the past month most of which were in Austin. He also presented his schedule of upcoming meetings while answering some general questions from the Members.

4. APPOINTMENT OF EIC SECRETARY:

4A. Appoint Sana Waller as EIC Secretary.

Mr. Barnett moved to appoint Sana Waller as EIC Secretary. Ms. Megee seconded the motion and the motion passed 6-0.

5. INFORMATION AND DISCUSSION:

5A. Presentation of the City of Kerrville multi-year Community Improvement Plan as presented in the FY18-19 City of Kerrville Budget. Additional items related to general community capital improvements and other EIC-contemplated community investments may also be presented and discussed.

Mr. Hoppe gave a presentation of the Community Improvement Plan as pertains to the General Capital Projects Fund and Water Capital Projects Fund. He and Mr. McDaniel answered general questions from the Members as well as explaining how the plan would possibly be funded and achieved.

6. EXECUTIVE SESSION:

Mr. Cooper moved for EIC to go into executive closed session to discuss subject matter under Section 551.087 (deliberation regarding economic development negotiations) and 551-071 (consultation with attorney) of Chapter 551 of the Texas Government Code.

At 4:58 p.m. the regular meeting recessed. EIC went to executive closed session at 4:58 p.m. At 5:09 p.m., the executive closed session recessed and EIC returned to open session at 5:09 p.m. No action was taken at executive session.

6. POSSIBLE ACTION FOR ITEMS DISCUSSED IN EXECUTIVE SESSION:

None

7. ITEMS FOR FUTURE AGENDAS:

Review of the 2019 calendar because of Monday holidays that could possibly interfere with EIC scheduled meetings.

8. ANNOUNCEMENTS: None

9. ADJOURNMENT

Mr. Early adjourned the meeting at 5:12.

APPROVED: 02/18/2019

Kenneth Early, President

ATTEST:

Sana Waller, Interim Deputy City Secretary