

**AGENDA FOR REGULAR MEETING**

**CITY OF KERRVILLE, TEXAS**

**ECONOMIC IMPROVEMENT CORPORATION**

**MONDAY, OCTOBER 17, 2016 AT 4:00 P.M.**

**KERRVILLE CITY HALL CITY COUNCIL CHAMBERS**

**701 MAIN STREET, KERRVILLE, TEXAS**

**AGENDA FOR REGULAR MEETING OF THE  
CITY OF KERRVILLE, TEXAS  
ECONOMIC IMPROVEMENT CORPORATION  
MONDAY, OCTOBER 17, 2016, 4:00 P.M.  
KERRVILLE CITY HALL COUNCIL CHAMBERS  
701 MAIN STREET, KERRVILLE, TEXAS**

**CALL TO ORDER**

**INVOCATION**

**1. VISITORS / CITIZENS FORUM:**

Any citizen with business not scheduled on the agenda may speak to the Economic Improvement 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 MINUTES:**

2A. Approval of minutes for the regular meeting held on September 19, 2016.

**3 MONTHLY REPORTS:**

3A. Monthly financials for September 2016. (staff)

3B. Projects update. (staff)

Kerrville Sports Complex

**4. EXECUTIVE SESSION:**

The Economic Improvement Corporation may, as permitted by law, adjourn into executive session at any time to discuss any matter listed above 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, including the following matters:

Sections 551.071 (consultation with attorney), and 551.072 deliberation regarding real property

- River Trail project

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The facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive service must be made 48 hours prior to this event. Please contact the City Secretary's Office at 830-257-8000 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 October 14, 2016, at 4:30 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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5. ITEMS FOR FUTURE AGENDAS
6. ANNOUNCEMENTS
7. ADJOURNMENT.

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Cheryl Brown

Deputy City Secretary, City of Kerrville, Texas

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## **Agenda Item:**

2A. Approval of minutes for the regular meetings held on September 19, 2016.

**CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION  
REGULAR MEETING** **SEPTEMBER 19, 2016**

On Monday September 19, 2016, the regular meeting of the members of the City of Kerrville, Texas Economic Improvement Corporation, was called to order at 4:00 p.m. by Gary Cochrane, President, in the Council Chambers at City Hall, at 701 Main Street, Kerrville, Texas. The invocation was offered by Mr. Early.

**Members Present:**

Gary Cochrane, President  
Sheri Pattillo, Vice President  
Kenneth Early  
Delayne Sigerman  
Paul Stafford  
Gary Stork  
James Wilson

**Members Absent:** None

**City Executive Staff Present:**

Todd Parton, City Manager  
E.A. Hoppe, Deputy City Manager  
Mike Hayes, City Attorney  
Cheryl Brown, Deputy City Secretary  
Sandra Yarbrough, Finance Director

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

**1. VISITORS/CITIZENS FORUM:**

Robert Naman spoke against the athletics complex and 4B taxes.

**2. APPROVAL OF MINUTES:**

2A. Mr. Wilson moved to approve the minutes for the July 18, 2016 meeting. Mr. Early seconded, and the motion passed 7-0.

**3. MONTHLY REPORTS:**

3A. Monthly financials for August 2016:

Ms. Yarbrough reported a cash balance on August 31, 2016 of \$4,604,500. She reviewed the capital projects and noted a balance of \$1,115,616; the cash and investments fund earned 0.44% interest.

3B. Projects update.

**Kerrville Sports Complex**

Mr. Parton reported that the property transfer from the Cailloux Foundation to the city was complete. The site work and grading began August 1, 2016; estimated completion

date was July/August 2017.

**4. CONSIDERATION AND POSSIBLE ACTION:**

4A. Application by the City of Kerrville for Construction of Reclaimed Water Distribution Infrastructure for a maximum of \$1.5 million.

Mr. Parton reviewed the applications from the City of Kerrville in the amount of \$1.5 million, Schreiner University in the amount of \$900,000, and Southern Golf Properties in the amount of \$600,000.

Ms. Pattillo moved to approve the application by the City of Kerrville as presented. Mr. Wilson seconded, and the motion passed 7-0.

4B. Application by the City of Kerrville and Schreiner University for construction of reclaimed water distribution infrastructure for a maximum of \$900,000.

The following person spoke:

- Robert Naman spoke against approving the application.

Mr. Stork moved to approve the application by the City of Kerrville and Schreiner University as presented. Mr. Early seconded, and the motion passed 7-0

4C. Application by the City of Kerrville and Southern Golf Properties for construction of reclaimed water distribution infrastructure for a maximum of \$600,000.

Mr. Early moved to approve the application by the City of Kerrville and Southern Golf Properties as presented. Mr. Wilson seconded, and the motion passed 7-0.

5. **EXECUTIVE SESSION:** There was no executive session.

6. **ITEMS FOR FUTURE AGENDAS:** None

7. **ANNOUNCEMENTS:** None

**8. ADJOURNMENT**

The meeting was adjourned by Mr. Cochrane at 4:28 p.m.

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

\_\_\_\_\_  
Gary Cochrane, President

ATTEST:

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

# **Agenda Item:**

3A. Monthly financials for September 2016. (staff)

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

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**SUBJECT:** EIC Financials

**FOR AGENDA OF:** October 17, 2016    **DATE SUBMITTED:** October 10, 2016

**SUBMITTED BY:** Sandra G. Yarbrough  
Director of Finance *SY*    **CLEARANCES:**

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

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** *JP*

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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 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 - Summary**  
**For the month ending September 30, 2016**

<b>Beginning Cash Balance</b>		<b>\$ 4,604,499</b>
Income:		
Sales Tax	\$ 260,084	
Interest Revenue	\$ 1,721	
Transfer In - Cailloux Theater Upgrade - closed	\$ 4,625	
Total Income	<u>\$ 261,805</u>	
Expenses:		
Administrative Service Fee	\$ 8,333	
Transfer for Debt Service	\$ 92,753	
Total Expenses	<u>\$ 101,086</u>	
Revenues Over (Under) Expenditures		<u>\$ 160,720</u>
<b>Ending Cash Balance</b>		<b><u><u>\$ 4,765,218</u></u></b>

**CITY OF KERRVILLE**  
**Economic Improvement Corporation**  
**Sales Tax Improvement Fund - Revenue and Expense Statement**  
**For the month ending September 30, 2016**

	Annual Budget	Current Period	Y-T-D Actual	% of Budget	Budget Balance
<b>BEGINNING CASH BALANCE</b>	\$ 3,657,920		\$ 3,657,920		
<b>REVENUE:</b>					
Sales and Use Tax	\$ 3,185,991	\$ 260,084	\$ 3,174,529	99.64%	\$ 11,462
Interest	\$ 5,000	\$ 1,721	\$ 14,625	292.51%	\$ (9,625)
Transfer In	\$ -	\$ 4,625	\$ 4,625	#DIV/0!	\$ (4,625)
<b>TOTAL REVENUE</b>	<b>\$ 3,190,991</b>	<b>\$ 261,805</b>	<b>\$ 3,189,155</b>	<b>99.94%</b>	<b>\$ (2,789)</b>

	Annual Budget	Current Period	Y-T-D Actual	% of Budget	Budget Balance
<b>EXPENDITURES:</b>					
<b>Administrative</b>					
Local Meetings	\$ 500		\$ 72	14.45%	\$ 428
Administrative Services Fee	\$ 100,000	\$ 8,333	\$ 100,000	100.00%	\$ 0
Economic Development Governing Body	\$ 154,404		\$ 154,404	100.00%	\$ 0
Debt Service - River Trail - Series 2011A	\$ 256,923	\$ 21,455	\$ 256,923	100.00%	\$ -
Debt Service - River Trail - Series 2012	\$ 255,630	\$ 21,053	\$ 255,630	100.00%	\$ -
Debt Service - Athlex Complex - Series 2015	\$ 596,329	\$ 50,246	\$ 596,329	100.00%	\$ -
<b>Total Administrative</b>	<b>\$ 1,363,786</b>	<b>\$ 101,086</b>	<b>\$ 1,363,358</b>	<b>99.97%</b>	<b>\$ 428</b>
<b>Category I - Business Development</b>					
James Avery	\$ 610,000		\$ 610,000	100.00%	\$ -
<b>Total Category I</b>	<b>\$ 610,000</b>	<b>\$ -</b>	<b>\$ 610,000</b>	<b>100.00%</b>	<b>\$ -</b>
<b>Category II - Quality of Life</b>					
LHP Lighting	\$ 250,000	\$ -	\$ -	0.00%	\$ 250,000
Olympic Pool	\$ 100,000	\$ -	\$ -	0.00%	\$ 100,000
Downtown Streetscape Enhancements:	\$ -		\$ -		\$ -
Parking Garage	\$ 160,000	\$ -	\$ -	0.00%	\$ 160,000
Planter Boxes	\$ 20,000	\$ -	\$ -	0.00%	\$ 20,000
Street Furniture	\$ 100,000	\$ -	\$ -	0.00%	\$ 100,000
Cailloux Theater Upgrades	\$ 108,500		\$ 108,500	100.00%	\$ -
<b>Total Category II</b>	<b>\$ 738,500</b>	<b>\$ -</b>	<b>\$ 108,500</b>	<b>14.69%</b>	<b>\$ 630,000</b>
<b>Category III - Public Infrastructure</b>					
Housing	\$ 100,000	\$ -	\$ -	0.00%	\$ 100,000
IH10 @ FM 783	\$ 500,000	\$ -	\$ -	0.00%	\$ 500,000
<b>Total Category III</b>	<b>\$ 600,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ 600,000</b>
<b>Contingency</b>	\$ -	\$ -	\$ -	0.00%	\$ -
	\$ -	\$ -	\$ -		\$ -
<b>TOTAL EXPENDITURES</b>	<b>\$ 3,312,286</b>	<b>\$ 101,086</b>	<b>\$ 2,081,857</b>	<b>62.85%</b>	<b>\$ 1,230,428</b>
<b>NET REVENUES TO EXPENDITURES</b>	<b>\$ (121,294)</b>	<b>\$ 160,720</b>	<b>\$ 1,107,298</b>		

<b>ENDING CASH BALANCE</b>	Budget	Actual
	\$ 3,536,625	\$ 4,765,218

**CITY OF KERRVILLE**  
**Economic Improvement Corporation**  
**Sales Tax Revenue Analysis - FY16**  
**For the month ending September 30, 2016**

Revenue Month	Actual FY 2013	Actual FY 2014	Actual FY 2015	Budgeted FY 2016	Actual FY 2016	FY2015 vs FY2016	Budget vs Actual
October	\$ 226,663	\$ 241,503	\$ 238,933	\$ 245,536	\$ 227,707	-4.70%	-7.26%
November	\$ 210,744	\$ 234,150	\$ 257,654	\$ 264,775	\$ 277,653	7.76%	4.86%
December	\$ 204,782	\$ 214,424	\$ 251,851	\$ 258,811	\$ 254,834	1.18%	-1.54%
January	\$ 217,647	\$ 229,761	\$ 245,845	\$ 252,639	\$ 255,848	4.07%	1.27%
February	\$ 284,177	\$ 296,036	\$ 335,071	\$ 344,331	\$ 347,778	3.79%	1.00%
March	\$ 205,749	\$ 207,869	\$ 223,251	\$ 229,420	\$ 223,790	0.24%	-2.45%
April	\$ 215,800	\$ 218,030	\$ 227,065	\$ 233,340	\$ 237,432	4.57%	1.75%
May	\$ 251,468	\$ 268,682	\$ 273,281	\$ 280,834	\$ 307,046	12.36%	9.33%
June	\$ 234,781	\$ 267,530	\$ 255,511	\$ 262,575	\$ 243,070	-4.87%	-7.43%
July	\$ 216,641	\$ 222,961	\$ 238,328	\$ 244,915	\$ 249,278	4.59%	1.78%
August	\$ 245,964	\$ 266,321	\$ 297,274	\$ 305,489	\$ 290,011	-2.44%	-5.07%
September	\$ 224,905	\$ 238,926	\$ 256,246	\$ 263,328	\$ 259,227	1.16%	-1.56%
<b>YTD Total</b>	<b>\$ 2,739,321</b>	<b>\$ 2,906,194</b>	<b>\$ 3,100,310</b>	<b>\$ 3,185,994</b>	<b>\$ 3,173,673</b>	<b>2.37%</b>	<b>-0.39%</b>

**CITY OF KERRVILLE**  
**Economic Improvement Corporation**  
**Capital Projects Fund - Summary**  
**For the month ending September 30, 2016**

<b>Beginning Cash Balance</b>		<b>\$ 1,115,616</b>
Income:		
	\$ -	
Total Income:	<u>\$ -</u>	
Expenses:		
Transfer out - Cailloux Theater Upgrade - closed	\$ 4,625	
Total Expenses:	<u>\$ 4,625</u>	
Revenues Over (Under) Expenditures		<u>\$ (4,625)</u>
<b>Ending Cash Balance</b>		<b><u><u>\$ 1,110,991</u></u></b>

**CITY OF KERRVILLE**  
**Economic Improvement Corporation**  
**Project Status Summary**  
For the month ending September 30, 2016

Fiscal Years	Projects	Agreement Commitment	EIC Funded To Date	Total Funded	Expenses to Date	Project Balance
2012-13	Downtown Streetscape	\$ 35,100	\$ 35,100	\$ 35,100	\$ 34,609	\$ 491
2014-15	James Avery	\$ 1,220,000	\$ 1,220,000	\$ 1,220,000	\$ 609,500	\$ 610,500
2014-15	ED Set Aside	\$ 500,000	\$ 500,000	\$ 500,000		\$ 500,000
2015-16	LHP Lighting	\$ 250,000				
20-15-16	Olympic Pool	\$ 100,000				
2015-16	Parking Garage	\$ 160,000				
2015-16	Planter Boxes	\$ 20,000				
2015-16	Street Furniture	\$ 100,000				
2015-16	Cailloux Theater upgrades	\$ 108,500	\$ 108,500	\$ 103,875	\$ 103,875	\$ -
<b>TOTALS</b>		<b>\$ 3,718,600</b>	<b>\$ 2,980,100</b>	<b>\$ 3,243,574</b>	<b>\$ 2,043,067</b>	<b>\$ 1,110,991</b>

Cash Balance on 9/30/2016    \$    1,110,991

**General Capital Improvement Projects - supported by EIC**

Fiscal Years	Projects	Agreement Commitment	Total Funded	Expense To Date	To Balance
2011-12	River Trail	\$ 6,000,000	\$ 5,997,683	\$ 5,008,557	\$ 989,126
2011-12	Louise Hays/Lehmann Monroe parks	\$ 2,000,000	\$ 2,600,000	\$ 2,600,000	\$ (0)
<b>Funding Agreement - C2011-76Totals</b>		<b>\$ 8,000,000</b>	<b>\$ 8,597,683</b>	<b>\$ 7,608,556</b>	<b>\$ 989,125</b>

**Notes:**

6/24/14 - Project adjustments - \$600,000.00 moved from River Trail project to Louise Hays/Lehman Monroe park improvements per EIC and City Council meetings - additional funding to replenish River Trail project to be requested by city staff from EIC at future EIC meeting.

9/22/14 - Project replenished - \$600,000.00 approved at EIC meeting related to Louise Hays/Lehman Monroe park improvements (see note above) reported on 9/30/14 financial report at October 2014 meeting.

## Cash and Investments

For the month ending September 30, 2016

### Cash and Investment Balances by Fund

<u>City G/L Fund</u>	<u>Fund Name</u>	<u>Balance</u>	<u>Period</u>
40	Sales Tax Improvement Fund (operating fund)	\$ 4,765,218	9/30/2016
75	EIC Projects Fund (capital projects fund)	\$ 1,110,991	9/30/2016
<b>Total Cash and Investments</b>		<b>\$ 5,876,209</b>	<b>9/30/2016</b>

### Cash and Investments by Type - Placement - Amount

<u>Type</u>	<u>Investment Placement</u>	<u>Amount</u>	<u>Interest Earned</u>	<u>Interest Earned (Annualized)</u>	<u>Period Ending</u>
Cash	Wells Fargo Checking	\$ 2,115,026	\$ -	0.00%	9/30/2016
ST Investment	EIC TexPool	\$ 1,629,950	\$ 946.24	0.70%	9/30/2016
ST Investment	EIC TexStar	\$ 1,630,927	\$ 552.50	0.41%	9/30/2016
Pioneer Bank	CD	\$ 250,306	\$ 222.61	1.07%	9/30/2016
Texas Hill Co Bank	CD	\$ 250,000	\$ -	0.00%	9/30/2016
<b>Total Cash and Investments</b>		<b>\$ 5,876,209</b>	<b>\$ 1,721.35</b>	<b>0.35%</b>	<b>9/30/2016</b>

# **Agenda Item:**

3B. Projects update. (staff)  
Kerrville Sports Complex

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

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**SUBJECT:** Projects update

**FOR AGENDA OF:** Oct. 17, 2016

**DATE SUBMITTED:** Oct. 14, 2016

**SUBMITTED BY:** Todd Parton  
City Manager

**CLEARANCES:**

**EXHIBITS:** None

**AGENDA MAILED TO:**

**APPROVED FOR SUBMITTAL BY CITY MANAGER:** 

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<b>Expenditure Required:</b>	<b>Current Balance in Account:</b>	<b>Amount Budgeted:</b>	<b>Account Number:</b>
<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

**PAYMENT TO BE MADE TO:**

**REVIEWED BY THE FINANCE DEPARTMENT:**

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**SUMMARY STATEMENT**

City staff will review the status of the following projects:

1. Kerrville Sports Complex

- Contract work commenced August 2016.
- J3 Company:
  - Completing base compaction for parking lot and roads for both sides of the complex.
  - Installing concrete curbs for parking lots and roads for both sides of the complex.
  - Installing water and sewer lines for both sides of the complex.
- Mid-America Sports:
  - Completed final grading for baseball, softball, and soccer fields.
  - Preparing to initiate irrigation installation during the week of October 17, 2016.
- JK Bernard:
  - Nearing completion of masonry walls of main soccer building.
  - Concrete placed for second soccer building.
  - Foundation rough-in is underway for the baseball/softball buildings.
- DW Electric:
  - Installing conduits for the sports field lights.
  - Bases for new soccer lights have been installed.
  - All sports lighting components are scheduled for delivery during the week of October 17, 2016, and installations are scheduled for later this month.
- Estimated completion date remains July/August 2017.



**RECOMMENDED ACTION**

This is an informational report to the EIC Board and no action is required.