

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

July 16, 2012

On Monday, July 16, 2012, the meeting of the directors of the City of Kerrville, Texas Economic Improvement Corporation, was called to order at 4:02 p.m. by Kenneth Early, Vice-President, in the City Hall Council Chambers, 800 Junction Highway, Kerrville, Texas.

Members Present:

David Wampler, President @ 4:05 p.m.
Kenneth Early, Vice President
Rex Boyland, Secretary
Gary Cochrane
Larry Howard
Stacie Keeble
Polly Rickert

Members Absent:

None

City Executive Staff Present:

Mike Hayes, City Attorney
Cheryl Brown, Administrative Assistant to the City Secretary
Kristine Ondrias, Assistant City Manager
Todd Parton, City Manager
Mike Erwin, Director of Finance
Sai Vongchampa, Budget/Purchasing Manager
Mindy Wendele, Director of Business Programs
Malcolm Matthews, Director of Parks and Recreation
Travis Cochrane, IT Director
Keith Mangnell, Technical Support Analyst
Kimberly Meisner, Director of General Operations

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

INVOCATION: Given by Vice-President Kenneth Early.

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

2. **APPROVAL OF THE MINUTES:**

2A. Minutes of the joint meeting with the City Council on June 12, 2012 and the regular meeting held June 18, 2012. Mr. Howard moved for approval of the minutes of June 12 and June 18, 2012; Ms. Rickert seconded the motion and it passed 7-0.

3. MONTHLY REPORT:

3A. Monthly financials for June 2012. Mr. Erwin reported

4. MONTHLY REPORTS:

4A. Monthly financials for May 2012. Mr. Vongchampa reported:

\$223,320 received in Sales tax revenue in May. Total expenditures were \$320,332, which included \$319,214 that was taken out for the closure of two projects. The ending cash balance as of April 30, 2012 was \$1,149,139. The sales tax revenue collected in May 2012, was 5% less than May, 2011, but the total sales tax revenue collected year to date was 8.7% higher than the year to date in May of 2011. Mr. Erwin reported that funds left over from the 2007 - 2008 Airport Runway Project had already been disbursed in accordance with the funding agreement, and that no further funds would be disbursed.

Polly Rickert moved to approve the monthly financial report. Kenneth Early seconded, and the motion was passed 6-0.

4B. Capital project update. Ms. Wendele reported:

Harper Highway Project Phase II: Construction scheduled to begin early July, 2012, with completion in 90 days.

Hill Country Shooting Center: Construction on the airhall was proceeding.

5. CONSIDERATION AND POSSIBLE ACTION:

5A. Nature Blinds, LLC's request for funding of a business expansion project (staff).

Clint Fiore, VP of Business Development for Nature Blinds, LLC, discussed current and proposed products. Jason Hardy, CEO, noted that they have 29 current full-time employees and projected 73 full-time employees by the end of year two.

The EIC discussed a funding incentive based on the number of full-time employees hired, on a yearly basis. Mr. Boyland moved to approve a funding agreement to frontload each year's pro forma of employees with \$360,000 in year 1 and \$370,000 in year 2 with a 10 year claw back and first lien on additional funding. Nature Blinds, LLC will be required to maintain 73 full-time employees by the end of the second year, and would be responsible for continuing to maintain that number of employees for 10 years. The funding agreement will be contingent upon the building meeting the city's occupancy and fire code requirements. Ms. Rickert seconded, and the motion passed 6-0.

5B. A possible Kerrville-EIC.org website. Mr. Parton reported that the website domain is currently owned by Summit Advisors Inc., and that, according to the minutes of the meeting in 2008, the website was to be up for only one year. The matter was deferred to Executive Session.

5C. Lease with the United States Department of Agriculture (USDA) to graze cattle on the Kerrville Economic Improvement Corporation (EIC) owned property located at 300 Peterson Farm Road:

Mr. Parton reported he had not prepared the lease. Mr. Wampler asked Mr. Parton if the USDA had indicated their agreement to sign a lease. Mr. Parton responded that a for the USDA representative indicated that the lease would have to be reviewed by their attorneys prior to signing. Mr. Boyland moved to direct staff to contact the USDA and inform them that they were to remove the cattle within 45 days of this meeting, which would be August 2, 2012; Polly Rickert seconded. The motion passed 6-0.

6. INFORMATION AND DISCUSSION:

6A. The following topics from Joint Council/EIC Meeting held on June 12, 2012:

- Scott Schreiner Municipal Golf Course pavilion and parking improvements-The EIC directed staff to finalize the dollar amounts that would be associated with the improvements to the golf course.
- Soccer field(s) improvement-The EIC directed staff to prepare a phase one component that will determine the cost of local vs. tournament benefits.
- Baseball/softball sports complex-Tabled for a later date of discussion.
- Downtown Wi-Fi-The EIC directed staff to investigate cost.
- Downtown boardwalk project-Tabled for a later date of discussion.
- Airport Commerce Park vacant industrial site-Staff to prepare an inventory.
- Utility infrastructure for potential new company (KEDC prospect)-Tabled for a later date of discussion.
- Incentive package for hotel/conference center-The EIC directed staff to prepare a summary of the costs vs. the benefits of this project.
- Tuscany Development road between SH16 and SH173-The EIC directed staff to bring them further information.
- Investment in making Kerrville safer and friendlier to bicyclists and pedestrians-The EIC concluded that this item is outside of their purview.

6B. Update regarding River Trail Project

Mr. Matthews reported that work was proceeding on the River Trail project. Mr. Matthews described the various options for the route.

6C. Update from the Kerrville Economic Development Corporation (KEDC)

Mr. Wampler noted that interviews were still ongoing for a new director, and Don Barnett, President of KEDC, was still acting as interim director.

6D. Update regarding "Go" Team activities. (Wendele)

Ms. Wendele reported that an application was received from the Hill Country Shooting Sports Center, but that it had been withdrawn, as further items were needed to complete the application.

7. EXECUTIVE SESSION:

Mr. Boyland moved that the Economic Improvement Corporation go into executive closed session under Section 551.071 (consultation with attorney); Mr. Cochrane seconded the motion, and it passed 6-0 to discuss the following matter:

Sections 551.071:

- The Kerrville-EIC.org website

At 6:31 p.m. the regular meeting recessed and the EIC went into executive closed session at 6:35 p.m. At 6:47 p.m. the executive closed session recessed and the Board returned to open session at 6:47 p.m.

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

8. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION

Ms. Rickert moved to direct staff to notify the Summit Advisors, Inc., that the recognized time limit for the EIC.org website has expired, and request that the site be taken down and control and ownership be transferred to the City of Kerrville. Mr. Boyland seconded the motion, and it was approved 6-0.

9. ADJOURNMENT

Mr. Boyland moved to adjourn, Ms. Rickert seconded the motion, it passed 6-0; the meeting was adjourned at 6:47 p.m.

APPROVED: _____, 2012

David Wampler, President

ATTEST:

Cheryl Brown
Administrative Assistant to the City Secretary