

AGENDA FOR REGULAR MEETING

CITY OF KERRVILLE, TEXAS

ECONOMIC IMPROVEMENT CORPORATION

MONDAY, MARCH 18, 2019 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, MARCH 18, 2019, 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 EIC meeting held on February 18, 2019.

3. MONTHLY REPORTS:

3A. Monthly financials for February 2019.

3B. Projects update:

River Trail Extension to Schreiner University

Tennis Center Improvements

Aquatics Feasibility Study

Legion Lift Station

Reuse Distribution Lines

EconoLodge/Hobby Lobby

Thompson/Spur 98 Infrastructure Extension

3C. Monthly update from Kerr Economic Development Corporation. (KEDC)

4. PUBLIC HEARING AND POSSIBLE ACTION:

4A. Public hearing and consideration of a Project Funding Agreement between the City of Kerrville, Texas Economic Improvement Corporation and the City of Kerrville, Texas for the Downtown Garage Streetscape project in the amount of \$350,000.00.

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: March 15, 2019 at 10:00 a.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

5. CONSIDERATION AND POSSIBLE ACTION:

5A. Application for Project Funding Request to the Kerrville Economic Improvement Corporation regarding the design, engineering, and construction of an extension of Olympic Drive to Loop 534.

5B. Review of calendar for future EIC meetings and potential conflicts with observed National and/or City holidays.

6. 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 Section 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:

6A. Deliberation regarding economic development negotiations in accordance with the Texas Open Meetings Act; discussion regarding commercial or financial information received from a business prospect(s), and/or to deliberate the offer of a financial or other incentive to a business prospect(s). (Section 551.087, TX Government Code)

7. POSSIBLE ACTION FOR ITEMS DISCUSSED IN EXECUTIVE SESSION

8. ITEMS FOR FUTURE AGENDAS

9. ANNOUNCEMENTS

10. ADJOURNMENT.

Agenda Item:

2A. Approval of minutes for the regular EIC meeting held on February 18, 2019.

**CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION
REGULAR MEETING** **FEBRUARY 18, 2019**

On Monday, February 18, 2019, 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 Kenneth Early, President, in the Council Chambers at City Hall, at 701 Main Street, Kerrville, Texas. Mr. Cooper offered the invocation.

Members Present:

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

Members Absent:

None

City Executive Staff Present:

Mark McDaniel, City Manager
E.A. Hoppe, Deputy City Manager
Mike Hayes, City Attorney
Amy Dozier, Finance Director
Cheryl Brown, Deputy City Secretary

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. Ms. Megee seconded the motion and the motion passed 7-0.

3. **MONTHLY REPORTS:**

3A. Monthly financials for January 2018.

Ms. Dozier reported that the EIC operating fund received sales tax revenue of \$271,314 in January 2019, which was a 0.8% increase compared to January 2018. December 2018 sales tax included a prepayment by a large retailer and a prior period payment from a utility. After adjusting for the one-time activity, sales tax is up 5.1% led by increases in manufacturing, food service, and retail.

Interest income for the month was \$7,948. EIC's money is invested entirely in TexPool, which was earning 2.58% as of February 14, 2019. The investment is completely liquid and can be used to fund projects at any time.

Expenditures for the month were \$232,682, which included budgeted transfers for debt service and the administrative service fee plus a \$125,000 transfer to the Project Fund for the Business Development Set Aside.

During January, the Project Fund received the \$125,000 transfer noted above.

Ms. Dozier also included the quarterly reports from James Avery Craftsman Inc., and Fox Tank Company.

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. City staff was going over the design documents.

Tennis Center Improvements:

Construction was scheduled to start in the beginning of March.

Aquatics Feasibility Study:

The consultant was working on a phasing plan. City staff will bring phasing documents to the EIC, as well as the public at a future date.

Legion Lift Station:

There were a few more easements to finish, but staff was working to get those completed.

Mr. Hoppe also reported that demolition was proceeding at the former EconoLodge site. Hobby Lobby hoped to be able to open their store sometime around September of this year.

Thompson/Spur 98 infrastructure was in the final stages of engineering and easement acquisition.

4. CONSIDERATION AND POSSIBLE ACTION:

4A. Application for Project Funding Request to the Kerrville Economic Improvement Corporation regarding Downtown Parking Garage/Streetscape.

Mr. Hoppe presented conceptual drawings of the project. He explained the funding process for the repairs done on the garage, and the separate improvements, Phase One of which was the purpose of the funding request. Hoppe introduced Peter Lewis, the architect for the project. Mr. Lewis presented a few more conceptual drawings for Phase One of the improvement project.

Ms. Megee moved to direct staff to proceed with the drafting of a funding agreement, and to set a public hearing date of March 18, 2019. Mr. McKinney seconded, and the motion passed 7-0.

5. EXECUTIVE SESSION:

Ms. Sigerman moved for EIC to go into executive closed session to discuss subject matter under Section 551.087 (deliberation regarding economic development negotiations) of Chapter 551 of the Texas Government Code. Mr. McKinney seconded, and the motion passed 7-0.

At 4:33 p.m. the regular meeting recessed. EIC went to executive closed session at 4:33 p.m. At 4:53 p.m., the executive closed session recessed and EIC returned to open session at 4:53 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:

The annual fund raiser for the Cailloux Theater "Dinner with the Stars" was scheduled for March 23, 2019.

9. ADJOURNMENT

Mr. Early adjourned the meeting at 4:55.

APPROVED: _____

Kenneth Early, President

ATTEST:

Cheryl Brown, Deputy City Secretary

Agenda Item:

3A. Monthly financials for February 2019.



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

SUBJECT: EIC Monthly Financial Statements for the month ended February 28, 2019

AGENDA DATE OF: 3/18/2019

DATE SUBMITTED: 3/14/2019

SUBMITTED BY: Amy Dozier, CFO

EXHIBITS: Financial Reports

Expenditure Required: n/a	Current Balance in Account: n/a	Amount Budgeted: n/a	Account Number: n/a
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PAYMENT TO BE MADE TO: Click or tap here to enter text.

Kerrville 2050 Item?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
Key Priority Area	Choose an item.	
Guiding Principle	Choose an item.	
Action Item	N/A	

SUMMARY STATEMENT:

The EIC operating fund received sales tax revenue of \$376,154 in February 2019. This is an increase of 6.03% compared to February 2018. February sales tax represents tax collected in December and is traditionally our largest sales tax month of the year. Manufacturing, Food Service and Construction sectors led the increase.

Interest income for the month was \$7,520. EIC's money is invested entirely in TexPool, which is earning 2.58% as of March 12, 2019. The investment is completely liquid and can be used to fund projects at any time.

Expenditures for the month were \$482,682, which included budgeted transfers for debt service and the administrative service fee plus a \$375,000 transfer to the Project Fund for the River Trail extension to Schreiner. The funding agreement for that project totals \$1.5 million, with \$750,000 to be paid in FY2019 and \$750,000 in FY2020. The FY2019 payment will be transferred to the General Capital Projects Fund in March as engineering for the project is already underway.

During February, the Project Fund received the \$375,000 transfer noted above and transferred \$250,000 to the General Capital Projects Fund, per the amendment to the Tennis Center Funding Agreement dated December 11, 2018.

RECOMMENDED ACTION:

Information only; no action required.

**ECONOMIC IMPROVEMENT CORPORATION
OPERATING FUND
STATEMENT OF ACTIVITIES
FOR THE MONTH ENDED FEBRUARY 28, 2019**

	Annual Budget	Current Period	Y-T-D Actual	% of Budget	Budget Balance
BEGINNING CASH BALANCE			\$1,242,648		\$1,242,648
REVENUES					
Sales and Use Tax	3,469,051	376,154	1,504,092	43.4%	(1,964,959)
Interest Income	45,000	7,520	39,103	86.9%	(5,897)
TOTAL REVENUES	3,514,051	383,674	1,543,194	43.9%	(1,970,857)
EXPENDITURES					
Administrative					
Office Supplies	500	-	-	0.0%	500
Administrative Services Fee	180,000	15,000	75,000	41.7%	105,000
Kerr Economic Development Corp	140,000	-	70,000	50.0%	70,000
Administrative Set Aside	50,000	-	50,000	100.0%	-
Total Administrative	370,500	15,000	195,000	52.6%	175,500
Category I - Business Development					
Business Development Set Aside	500,000	-	125,000	25.0%	375,000
HL Kerr Agreement	-	-	375,000	(375,000)	-
Total Category I	500,000	-	500,000	100.0%	-
Category II - Quality of Life					
Quality of Life Set Aside	250,000	-	-	0.0%	250,000
Tennis Center	-	-	250,000	(250,000)	-
Schreiner University River Trail	-	375,000	375,000	(375,000)	-
Debt Service - Series 2011A (River Trail)	258,506	21,542	107,711	41.7%	150,795
Debt Service - Series 2012 (River Trail)	250,330	20,861	104,304	41.7%	146,026
Debt Service - Series 2015 (Sports Complex)	603,350	50,279	251,396	41.7%	351,954
Total Category II	1,362,186	467,682	1,088,411	79.9%	273,775
Category III - Public Infrastructure					
Workforce Housing Set Aside	250,000	-	-	0.0%	250,000
Legion Lift Station	1,000,000	-	1,000,000	100.0%	-
Total Category III	1,250,000	-	1,000,000	80.0%	250,000
TOTAL EXPENDITURES	3,482,686	482,682	2,783,411	79.9%	699,275
CHANGE IN NET POSITION	\$ 31,365	\$ (99,009)	\$ (1,240,216)		
ENDING CASH BALANCE	\$ 1,274,013			\$3,321	

**ECONOMIC IMPROVEMENT CORPORATION
PROJECT FUND
STATEMENT OF ACTIVITIES
FOR THE MONTH ENDED FEBRUARY 28, 2019**

	Annual Budget	Current Period	Y-T-D Actual	% of Budget	Budget Balance
BEGINNING CASH BALANCE	\$2,850,000		\$2,850,000		
REVENUES					
Transfer In - EIC Operating Fund	2,050,000	375,000	2,175,000	106.1%	125,000
TOTAL REVENUES	<u>2,050,000</u>	<u>375,000</u>	<u>2,175,000</u>	<u>106.1%</u>	<u>125,000</u>
EXPENDITURES					
Project Contribution					
Legion Lift Station	1,000,000	-	1,000,000	100.0%	-
Tennis Center	-	250,000	250,000		
TOTAL EXPENDITURES	<u>1,000,000</u>	<u>250,000</u>	<u>1,250,000</u>	<u>125.0%</u>	<u>(250,000)</u>
CHANGE IN NET POSITION	<u><u>\$ 1,050,000</u></u>	<u><u>\$ 125,000</u></u>	<u><u>\$ 925,000</u></u>		
ENDING CASH BALANCE	\$ 3,900,000		\$3,775,000		

Sales Tax Revenue Analysis - FY2019

Month	Actual FY2017	Actual FY2018	Budget FY2019	Actual FY2019	FY2018 vs. FY2019	Budget vs. Actual
October	\$ 264,806	\$ 277,430	\$ 279,029	\$ 284,752	2.64%	2.05%
November	278,707	278,698	280,305	276,717	-0.71%	-1.28%
December	260,757	252,047	253,500	295,154	17.10%	16.43%
January	273,741	273,590	275,167	271,314	-0.83%	-1.40%
February	357,098	354,753	356,798	376,154	6.03%	5.42%
March	248,560	242,127	243,523			
April	240,783	241,702	243,095			
May	308,696	324,560	326,431			
June	261,944	286,255	287,905			
July	282,792	306,165	307,930			
August	306,807	323,628	325,494			
September	275,901	288,215	289,876			
YTD Total	\$ 3,360,592	\$ 3,449,171	\$ 3,469,051	\$ 1,504,092	4.70%	4.10%

Cash Analysis

Cash and Investment Balances by Fund		
Fund	Fund Name	Balance
40	Sales Tax Improvement Fund (operating fund)	\$ 3,321
75	EIC Projects Fund	3,775,000
	Total Cash and Investments	\$ 3,778,321

Cash and Investments by Type - Placement - Amount		
Type	Investment Placement	Amount
Short Term Investment	EIC TexPool	\$ 3,778,321
	Total Cash and Investments	\$ 3,778,321

Project Fund Balance

Project Description	EIC Contribution	Funding Transferred to Project	Funding Transferred to EIC Project Fund
Set Aside:			
Business Development	\$ -	\$ -	\$ -
Workforce Housing	750,000	-	750,000
Administrative	50,000	-	50,000
Set Aside Total	800,000	-	800,000
Committed Projects:			
Legion Lift Station	2,000,000	1,000,000	1,000,000
HL Kerr Agreement	375,000	-	375,000
Thompson Drive Partners	850,000	-	850,000
Schreiner River Trail	1,500,000	-	750,000
Committed Project Total	4,725,000	1,000,000	2,975,000
PROJECT FUND TOTAL	\$ 5,525,000	\$ 1,000,000	\$ 3,775,000

Agenda Item:

3B. Projects update:

River Trail Extension to Schreiner University
Tennis Center Improvements
Aquatics Feasibility Study
Legion Lift Station
Reuse Distribution Lines
EconoLodge/Hobby Lobby
Thompson/Spur 98 Infrastructure Extension

There is no agenda bill for this item.

Agenda Item:

3C. Monthly update from Kerr Economic Development Corporation (KEDC).

There is no agenda bill for this item.

Agenda Item:

4A. Public hearing and consideration of a Project Funding Agreement between the City of Kerrville, Texas Economic Improvement Corporation and the City of Kerrville, Texas for the Downtown Garage Streetscape project in the amount of \$350,000.00.

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

SUBJECT: Public Hearing and Consideration of a Project Funding Agreement to the Kerrville Economic Improvement Corporation Regarding Downtown Parking Garage/Streetscape Project

AGENDA DATE: February 18, 2019 **DATE SUBMITTED:** February 15, 2019

SUBMITTED BY: E.A. Hoppe
Deputy City Manager

EXHIBITS: Project scope and construction design contract

Unencumbered			
Expenditure	Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$350,000	\$717,132	\$765,100	
PAYMENT TO BE MADE TO: N/A			

SUMMARY STATEMENT

Several years ago the Kerrville Economic Improvement Corporation (EIC) funded a concept plan to enhance the Downtown Parking Garage with the help of local architectural firm, Peter Lewis Architect and Associates. In parallel, the EIC identified this item in their annual budget over a number of years and has been allocating project funds towards this quality of life and infrastructure enhancement to the downtown area. In total, the EIC has budgeted up to \$765,100 in Downtown Garage and Streetscape improvements. However, beyond the concept planning effort, no other expenditures have been made and no project funding agreement has been entered into with the City.

The City of Kerrville has recently completed an extensive program to address the deferred maintenance items of the Downtown Parking Garage, as well as greatly enhance the aesthetics of the interior of the facility. The facility is now ready for exterior improvement work to be accomplished, should the City Council and the EIC desire to move forward with all or some of the concept elements that have been developed. The project would entail aesthetic improvements as well as safety and lighting enhancements. The project is eligible for EIC (4B) funds under Local Government Code Sec. 505.152:

“Sec. 505.152. PROJECTS RELATED TO RECREATIONAL OR COMMUNITY FACILITIES. For purposes of this chapter, “project” includes land, buildings, equipment, facilities, and improvements found by the board of directors to be required or suitable for use for professional and amateur sports, including children’s sports, athletic, entertainment, tourist, convention, and public park purposes and events, including stadiums, ball parks, auditoriums, amphitheaters, concert halls, parks and park facilities, open space improvements, museums, exhibition facilities, and related store, restaurant, concession, and automobile parking facilities, related area transportation facilities, and related roads, streets, and water and sewer facilities, and other related improvements that

enhance any of the items described by this section.”

Mr. Lewis has provided a sample estimate on anticipated budget costs, as well as a scope of work for the completion of the design work and development of construction documents to complete the facility enhancements. The costs for design, engineering, construction, and contingency come to a total of \$350,000.

At the February 18, 2019 EIC meeting, the EIC voted to direct staff to draft a project funding agreement and set a public hearing date for March 18, 2019.

RECOMMENDED ACTION

Hold a Public Hearing and provide direction on the Project Funding Agreement.

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PROJECT FUNDING AGREEMENT BETWEEN THE CITY OF KERRVILLE, TEXAS, ECONOMIC IMPROVEMENT CORPORATION AND THE CITY OF KERRVILLE, TEXAS FOR DOWNTOWN PARKING GARAGE STREETSCAPE IMPROVEMENTS

THIS PROJECT FUNDING AGREEMENT (the “Agreement”) is entered into this ____ day of _____, 2019, by and between the City of Kerrville, Texas Economic Improvement Corporation (“Corporation”), a Type B Economic Development Corporation established pursuant to Chapters 501, 502, and 505 of the Texas Local Government Code, as amended (i.e., the Development Corporation Act, hereafter referred to as “the Act”), acting by and through its President; and the City of Kerrville, Texas (“City”), a Texas home-rule municipality, acting by and through its City Manager. EIC and City are sometimes collectively referred to herein as “Parties” and individually as “Party”.

WITNESSETH:

WHEREAS, pursuant to Chapter 505 of the Act, the EIC may undertake, or provide funding to City to undertake, projects which the EIC finds to be encompassed by the definition of “projects” as that word is defined in Chapters 501 and 505 of the Act; and

WHEREAS, EIC was formed to administer the sales and use tax approved by the citizens of Kerrville, Texas, in May 1995 and collected for projects as defined by the Act, including:

Projects related to a) expenditures that are found by the EIC to be required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises, limited to streets and roads, water and sewer utilities, electric utilities, or gas utilities, drainage, site improvements, and related improvements; and b) recreational or community facilities to include land, buildings, equipment, facilities, and improvements required or suitable for use for tourist and public park purposes, including parks and park facilities, open space improvements, and related concession and automobile parking facilities, related area transportation facilities, and related roads, streets, and other related

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improvements that enhance any of these items as provided for by Sections 505.103 and 505.152 of the Act; and

WHEREAS, City proposes to enter into a contract with a professional architect to complete the design, prepare construction documents, and to assist with bidding and construction management regarding improvements to the City-owned downtown parking garage (the “Project”); and

WHEREAS, should the City accept a bid for the Project, the City will also enter into a contract with a separate party for construction; and

WHEREAS, in 2012, the EIC funded the creation of a concept plan to enhance the City-owned downtown parking garage (“Garage”) and area around the Garage as part of the overall goal to improve streetscapes within the downtown area; and

WHEREAS, following the presentation and acceptance of that work, the EIC has allocated funds each year toward this infrastructure and quality of life project as a way to enhance the downtown area and draw more businesses, customers, and tourists into this area; and

WHEREAS, the Project will support and reinforce the goals of the Kerrville Comprehensive Plan (“*Kerrville 2050*”) to include preserving, protecting, and enhancing the visual identify of the downtown area as well as improving the physical, economic, social characteristics of this area to create a unique destination for residents and visitors of Kerrville, thereby making this area the activity center and focal point of the community; and

WHEREAS, the EIC finds that the Project as described generally above constitutes a “project” as defined by the Act; and

WHEREAS, the EIC finds that the Project is required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises; and

WHEREAS, finding that providing funds to contribute toward the planning, development, and construction of the Project is required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises, EIC has determined that this Agreement complies with the Act and is in keeping with the mission of EIC and City of Kerrville Economic Improvement Corporation 4B Sales Tax Funding Request Guidelines and Procedures; and

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WHEREAS, the EIC finds that it will be in the public interest to enter into this Agreement with City to provide sales tax revenues collected pursuant to the Act ("4B Revenues") to City for costs related to the Project; and

WHEREAS, on March 18, 2019, in a meeting that was open to the public in accordance with the Texas Open Meetings Act, the EIC held a public hearing pursuant to Section 501.072 of the Act related to the proposed expenditure of 4B Revenues for the Project;

NOW THEREFORE, for and in consideration of the recitals set forth above and the promises made herein, the EIC and City agree as follows:

1. **“Project” Defined:** When used in this Agreement, the term “Project” means the project summary and cost itemization specified in **Exhibit A** attached hereto and included herein for all purposes, plus expenses that arise as contingencies during the Project. City will manage the funding it receives from EIC and the bidding and construction of the Project. City shall not substantively alter the description of the Project in any respect without the prior approval of the EIC.
2. **Agreement to Fund Project:** the EIC shall provide City \$350,000.00 in 4B Revenues for the Project. City is authorized to make payments for the herein described purposes directly from funds allocated for Project #70-16004 in the General Capital projects Fund.
3. **Eligible Costs:** Payments made by City from 4B Revenues as authorized by Section 2, above, are limited to the payment of “costs” as defined in the Act.
4. **Project Timeline:** The City estimates that construction activities for the Project will begin on or before January 2020.
5. **Severability:** The provisions of this Agreement are severable, and if for any reason a provision of this Agreement is determined to be invalid by a court having competent jurisdiction over the subject matter of the invalid provision, the invalidity shall not affect other provisions that can be given effect without the invalid provision. Further, in lieu of such illegal, invalid, or unenforceable provision, there will be added automatically as a part of this Agreement, a provision as similar in its terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.
6. **Amendment:** This Agreement may be amended only by written amendment signed by the Parties.

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7. **Notices:** All notices given with respect to this Agreement must be in writing and will be deemed to have been properly given for all purposes (i) if sent by a nationally recognized overnight carrier for next business day delivery, on the first business day following deposit of such notice with such carrier unless such carrier confirms such notice was not delivered, then on the day such carrier actually delivers such notice, or (ii) if personally delivered, on the actual date of delivery, or (iii) if sent by certified U.S. Mail, return receipt requested postage prepaid, on the fifth business day following the date of mailing, or (iv) if sent by facsimile, then on the actual date of delivery (as evidenced by a facsimile confirmation) provided that a copy of the facsimile and confirmation is also sent by regular U.S. Mail, addressed as follows:

For EIC

President
City of Kerrville, Texas, Economic Improvement Corporation
City Hall, 701 Main Street
Kerrville, Texas 78028
Facsimile: (830) 792-3850

For City

City Manager, City of Kerrville
City Hall, 701 Main Street
Kerrville, Texas 78028
Facsimile: (830) 792-3850

8. **Applicable Law:** This Agreement is governed by and construed in accordance with the laws of the State of Texas. The Agreement is entered into and fully performable within Kerr County, Texas. Accordingly, venue for any cause of action arising pursuant to this Agreement is proper only in Kerr County, Texas.
9. **Interpretation:** Each Party has had the opportunity to be represented by counsel of its choice in negotiating this Agreement. This Agreement will therefore be deemed to have been negotiated and prepared at the joint request, direction, and construction of the Parties, at arm's length, with the advice and participation of counsel, and will be interpreted in accordance with its terms without favor to any Party.

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10. **No Joint Venture:** Nothing contained in this Agreement is intended by the Parties to create a partnership or joint venture between any or all of the Parties.
11. **Parties in Interest:** Nothing in this Agreement shall entitle any Party other than EIC or City to any claim, cause of action, remedy, or right of any term of this Agreement.
12. **Survival of Terms:** All rights, duties, liabilities, and obligations accrued prior to termination will survive termination.
13. **Entire Agreement:** This Agreement represents the entire agreement of the Parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement in the year and as of the date indicated.

CITY OF KERRVILLE, TEXAS

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

By: _____
Mark McDaniel, City Manager

By: _____
Kenneth Early, President

ATTEST:

ATTEST:

Shelley McElhannon, City Secretary

Cheryl Brown, Secretary for the EIC

APPROVED AS TO FORM:

Michael C. Hayes, City Attorney



PETER LEWIS

ARCHITECT + ASSOCIATES

Revised February 7, 2019

Mr. Kyle Burow, P.E.
Director of Engineering
City of Kerrville
200 Sidney Baker Street
Kerrville, TX 78028

RE: Professional Design Services Proposal
Parking Center Streetscape

Dear Kyle:

Thank you for the opportunity to be of service to the City of Kerrville! At your request we have prepared this revised Proposal to provide the following services for the referenced Project.

I. Work Scope

Additions and alterations to Parking Center located at the corner of Sidney Baker and Water Streets as described in Items 1-8, Exhibit A, attached.

II. Scope of Basic Services

A. Meet with City of Kerrville Staff, as required.

B. Construction Document Services (CD)

Construction Drawings detailing all building systems and related site improvements; Technical Specifications, Interior Lighting Compliance and Exterior Lighting Compliance Certificates.

1. Architectural: Peter Lewis Architect + Associates, PLLC

2. Electrical Design: DW Electric.

3. Technical Specifications/Project Manual

4. Assist the City of Kerrville during Bid/Negotiation Phase

5. Statement of Probable Construction Cost

C. Bid Phase Services

1. Assist City of Kerrville in Soliciting and Evaluating Bids

2. Responding to Prospective Bidders questions and Issuing Addenda

D. Construction Contract Administration (CCA)

1. Office Construction Administration

2. Shop Drawing and Submittal Review

3. Periodic Site visits

4. Monthly Site meeting with Owner and Contractor

5. Review Applications for Payment and issue Certificates for Payment

6. Issue Certificate of Substantial Completion

7. Prepare As-built Drawings, based on Contractor's mark-ups

III. Fixed Fee Schedule Basic Services Detail

A. Construction Documents: Items II(A&B)	\$ 17,500.00
B. Bid Phase: Item II(C)	\$ 1,250.00
C. Construction Contract Administration: Item II(D)	\$ 5,650.00
Total Basic Services	\$ 24,400.00

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pwl

IV. Reimbursable Expenses

Reimbursable expenses, except those listed below, will be billed at a multiple of 1.15 times cost (invoice).

This Professional Design Services Proposal generally describes the Services to be provided and their associated Fees. If we agree on both items, please indicate so by signing and returning one original of this letter for our files. In the meantime, if you have any questions or need additional information, please do not hesitate to call me.

Very truly yours,



Peter W. Lewis, Architect
Principal

Accepted for City of Kerrville

Date

**DOWNTOWN PARKING CENTER STREETScape
BUDGET COST 02-07-2019**

Agenda Item:

5A. Application for Project Funding Request to the Kerrville Economic Improvement Corporation regarding the design, engineering, and construction of an extension of Olympic Drive to Loop 534.

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

SUBJECT: Funding request to the Kerrville Economic Improvement Corporation for the design, engineering, and construction of an extension of Olympic Drive to Loop 534

AGENDA DATE: March 18, 2019

DATE SUBMITTED: March 12, 2019

SUBMITTED BY: E.A. Hoppe
Deputy City Manager

EXHIBITS: Project scope and Preliminary Cost Estimate
Aerial illustrations

Unencumbered			
Expenditure Required:	Balance in Account:	Amount Budgeted:	Account Number:
\$1,050,000	\$0	\$0	N/A

PAYMENT TO BE MADE TO: N/A

SUMMARY STATEMENT

The roadway extension of Olympic Drive from its current alignment off of Singing Wind Dr. through existing, but not built, right-of-way (ROW) to Loop 534 was identified in the recently updated Master Thoroughfare Plan. This general area is identified within the Kerrville 2050 Comprehensive Plan as Strategic Catalyst Area #8 and has a mix of both residential and commercial place-types that were anticipated by the community.

Typically, new roads and infrastructure are built by the development community and then dedicated to the City for ongoing maintenance and operation. Recently, an approximate 35-acre property directly adjacent to the undeveloped Olympic Drive ROW was purchased by the Kerrville Independent School District (KISD) as the site for their new middle school. This middle school project was a part of the community-adopted 2018 KISD Bond Election, and has been designed to accommodate future growth in student enrollment and staff. KISD, as the property developer, is responsible for constructing their prorata share of the infrastructure required to serve their proposed new middle school development. However, KISD would not be required to solely build the entirety of the Olympic Drive extension, as there are other adjacent property owners to the Olympic Drive ROW.

Both Schreiner University as well as the City of Kerrville also own vacant property adjacent to this undeveloped ROW, and are actively marketing those properties for future development. As such, a full extension of the roadway might be beneficial to the community in the near term, as indicated in the Kerrville 2050 Comprehensive Planning process, to help accelerate business growth within that corridor and strategic catalyst area.

The project is eligible for Kerrville Economic Improvement Corporation (EIC) funding via Section 501.103 of the Local Government Code under the parameters of project expenditures such as streets & roads, water & sewer utilities, and related improvements that are found by the EIC board of directors to be required for infrastructure necessary to promote new or expanded business enterprises.

The consulting engineer's estimate of probable cost (EOPC) for this roadway construction effort is estimated to be approximately \$2 million, inclusive of a 25% contingency. As such, the City is currently in the process of negotiating a Development Agreement with KISD to pay for 50% of the roadway improvements across this extension corridor. KISD would be responsible for a higher percentage of the extension of sewer service in that area (~75 - 80%), as they will likely be a more primary user. The consulting engineer's estimate of probable cost for the sewer extension is approximately \$235,000. Under this arrangement, the City would enter into and manage the contracts necessary to complete the design/engineering work, as well as the eventual construction contracts.

The City desires to make application to the Kerrville Economic Improvement Corporation for a Project Funding Agreement for the remaining portion of funding needed for the design, engineering, and construction (with contingency) of the Olympic Drive street, sidewalk, and sewer extensions. Staff estimates that this portion of funding, above and beyond the KISD share, is approximately \$1,050,000.

RECOMMENDED ACTION

Provide direction on creating a Project Funding Agreement and setting a Public Hearing.



CIVIL ENGINEERING CONSULTANTS
DON DURDEN, INC.

Olympic Drive
Engineer's Opinion of Probable Costs

Item	Unit	Qty	Unit Cost	Extension
Mobilization	L.S.	10%		126,363
Insurance and Bond	L.S.	3%		37,909
Barricades and Traffic Control	L.S.	1	\$1,500.00	1,500
Prepare Right-of-Way	Ac.	5	\$3,000.00	14,400
Excavation	C.Y.	5050	\$12.00	60,600
Haul Off	C.Y.	4500	\$10.00	45,000
Prime / Tack Coats	Gallon	1000	\$4.00	4,000
6" Type "B" Hot Mix	S.Y.	9780	\$35.00	342,300
Subgrade Stabilization (6")	S.Y.	9780	\$2.50	24,450
Cement	Ton	110	\$250.00	27,500
Concrete Curb and Gutter	L.F.	5250	\$22.00	115,500
2" Type "D" Hot Mix Asphalt	S.Y.	8615	\$12.00	103,380
10' Concrete Sidewalk	S.Y.	1970	\$45.00	88,650
8' Concrete Sidewalk	S.Y.	230	\$50.00	11,500
5' Concrete Sidewalk	S.Y.	362	\$55.00	19,910
Reconstruct Park Driveway Approach	Each	2	\$6,000.00	12,000
Concrete Driveway Approach	S.Y.	120	\$75.00	9,000
Sidewalk Retaining Wall	F.F.	325	\$25.00	8,125
Curb Inlets	Each	2	\$6,000.00	12,000
Single Box Culvert	L.S.	1	\$120,000.00	120,000
Topsoil	C.Y.	1025	\$30.00	30,750
Sod	S.Y.	9333	\$4.00	37,332
Watering	L.S.	1	\$8,000.00	8,000
4" Thermoplastic Striping (New Roadway)	L.F.	5250	\$1.75	9,188
Turn Arrows (New Roadway)	Each	32	\$200.00	6,400
4" thermoplastic Striping (Existing Roadway)	L.F.	5400	\$1.75	9,450
Turn Arrow (Existing roadway)	Each	30	\$200.00	6,000
Pedestrain Crossing	Each	2	\$2,000.00	4,000
Signage	Each	10	\$150.00	1,500
Curb Ramps	Each	4	\$1,500.00	6,000
Adjust Water Valves	Each	8	\$250.00	2,000
Adjust Fire Hydrants	Each	8	\$2,000.00	16,000
Adjust Water Line at Culvert	L.S.	1	\$7,500.00	7,500
12" x 8" Tapping Sleeve and Valve	Each	2	\$2,500.00	5,000
8" DR 18 C900 PVC	L.F.	100	\$55.00	5,500
Fire Hydrant with valve and tee	Each	2	\$3,000.00	6,000
Street Lights	Each	12	\$2,000.00	24,000
Conduit Crossings	Each	2	\$2,000.00	4,000
Rock Excavation Extra Allowance	C.Y.	1600	\$22.00	35,200
SWPPP	L.S.	1	\$20,000.00	20,000
			Subtotal	1,427,907
Engineering/Construction Management	L.S.			142,791
Material Testing	L.S.			41,000
Contingency	%			392,674
			TOTAL	2,004,372

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CIVIL ENGINEERING CONSULTANTS
DON DURDEN, INC

**Olympic Drive Sanitary Sewer
Engineer's Opinion of Probable Costs**

Item	Unit	Qty	Unit Cost	Extension
Mobilization	L.S.	11%		\$16,291
Insurance and Bond	L.S.	3%		\$4,443
Construct Manhole on Existing Line	Each	1	\$5,500.00	\$5,500
Sanitary Sewer Manhole	Each	4	\$4,750.00	\$19,000
Additional Depth to MH	V.F.	20	\$400.00	\$8,000
8" SDR 26 PVC (0-10' cut)	L.F.	2050	\$50.00	\$102,500
Trench Protection	L.F.	2050	\$2.00	\$4,100
8" Service at Manhole	Each	4	\$2,250.00	\$9,000
Subtotal				\$168,834
Engineering	L.S.			\$18,572
Contingency	%			\$46,851
Total				\$234,257



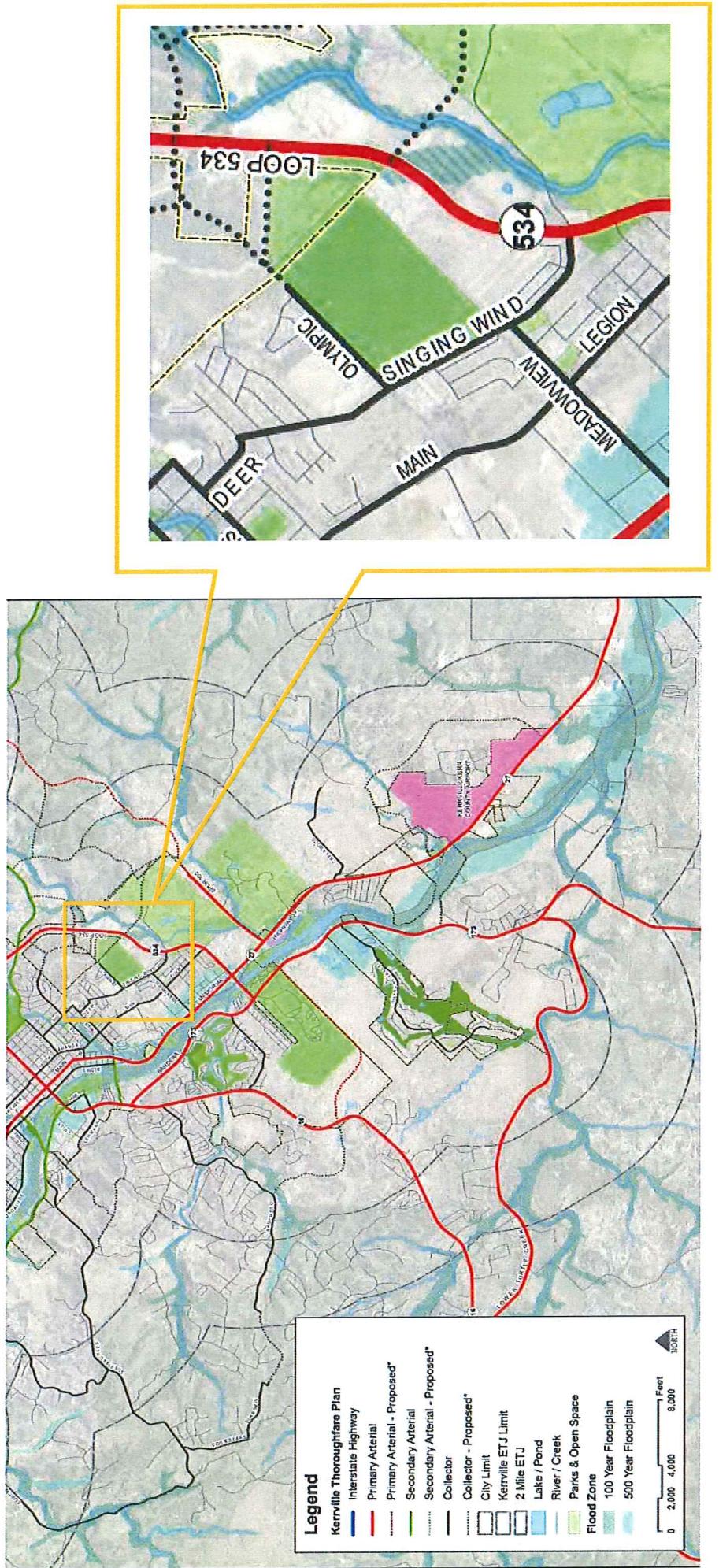


Figure 2: Draft Thoroughfare Plan

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Strategic Catalyst Area 8

This strategic catalyst area surrounds Loop 534 and is largely undeveloped. In the future, it will likely serve as a link to Ivy High School.

Defining Characteristics: SCA 8 is the Loop 534 corridor. Ivy High School is the anchor institution.

Allowable Place Types: Estate Residential, Neighborhood Residential, Preservation Residential,

Transitional Residential, Community Commercial

Place Type Distinctions: Community Commercial place types are most appropriate along the highway corridor. Transitional Residential, Preservation Residential, Neighborhood Residential, and Estate Residential place types are more appropriate as topography becomes hillier and more challenging.

Size: 878 acres

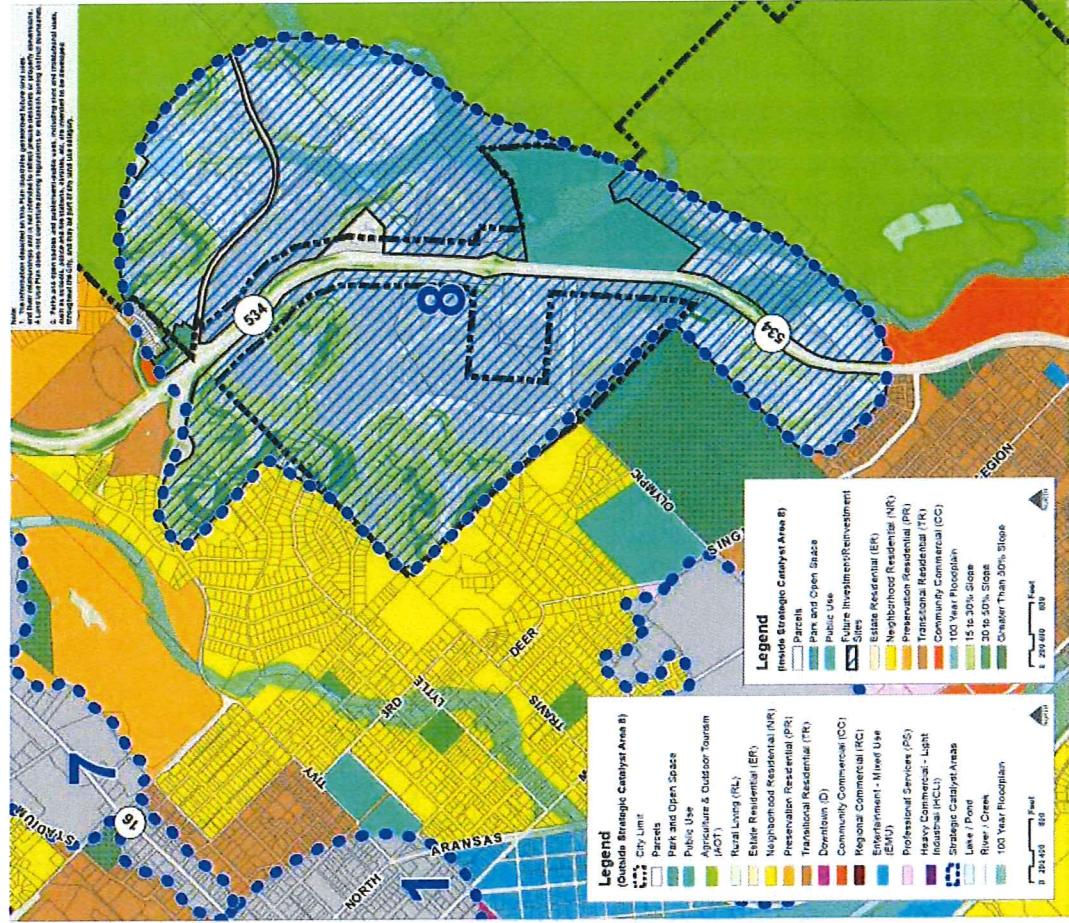
Developable Sites: 679 acres

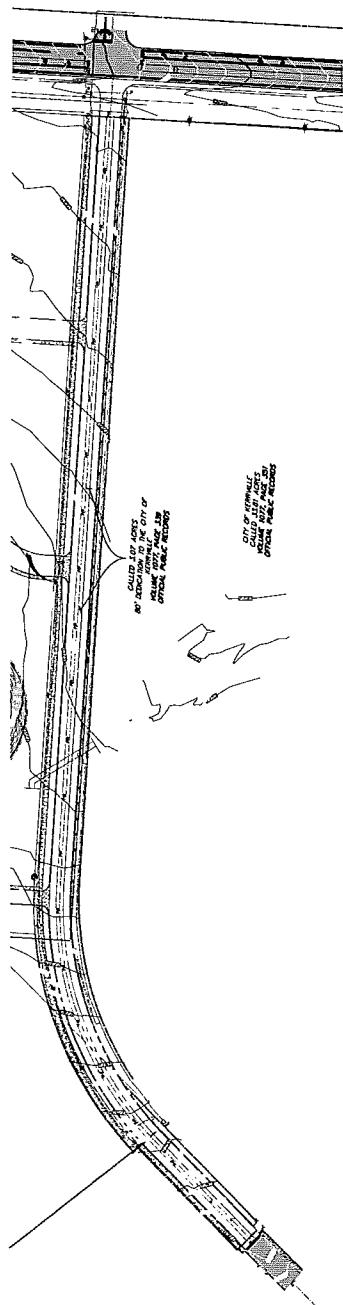
Residents: 112

Jobs: 26



Figure 15: Strategic Catalyst Area 8





Agenda Item:

5B. Review of calendar for future EIC meetings and potential conflicts with observed National and/or City holidays.

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

SUBJECT: EIC's review of federal and city holidays for the remainder of 2019, and all of 2020, in order to determine any conflicts with the EIC meeting date schedule for the same periods.

AGENDA DATE: March 18, 2019

DATE SUBMITTED: March 13, 2019

SUBMITTED BY: Cheryl Brown **CLEARANCES:**
Deputy City Secretary

EXHIBITS: None

APPROVED FOR SUBMITTAL BY CITY MANAGER:

Expenditure Required:	Current Balance in Account:	Amount Budgeted:	Account Number:
\$0	\$0	\$0	N/A

PAYMENT TO BE MADE TO: N/A

REVIEWED BY THE FINANCE DIRECTOR: N/A

SUMMARY STATEMENT

Pursuant to the request of the Economic Improvement Corporation members at the February 18, 2019 meeting, the holiday schedule for the remainder of 2019 and all of 2020 for both Federal and City offices, as well as the EIC meeting schedules are as follows:

2019 Federal

Monday, 5-27-19 Memorial Day
None
Thursday, 7-4-19 Independence Day
Monday, 9-2-19 Labor Day
Monday, 11-11-19 Veterans Day
Thursday, 11-28-19 Thanksgiving Day
None
None
Wednesday, 12-25-19 Christmas Day

2019 City of Kerrville

Friday, 4-19-19 Good Friday
Monday, 5-27-19 Memorial Day
Thursday, 7-4-19 Independence Day
Monday, 9-2-19 Labor Day
None
Thursday, 11-28-19 Thanksgiving Day
Friday, 11-29-19 Thanksgiving holiday
Tuesday, 12-24-19 Christmas Eve
Wednesday, 12-25-19 Christmas Day

EIC Meetings 2019

Monday, 4-15-19
Monday, 5-20-19
Monday, 6-17-19
Monday, 7-15-19
Monday, 8-19-19
Monday, 9-16-19
Monday, 10-21-19
Monday, 11-18-19
Monday, 12-16-19

2020 Federal

Wednesday, 1-1-20 New Year's Day
Monday, 1-20-20 MLK Day
Monday, 2-17-20 Presidents' Day
None
Monday 5-25-20 Memorial Day
Friday, 7-3-19 Independence Day Obsvd.
Saturday, 7-4-19 Independence Day
Monday, 9-7-20 Labor Day
Monday, 10-12-20 Columbus Day
Wednesday, 11-11-20 Veterans Day
Thursday, 11-26-20 Thanksgiving Day
None
None
Friday, 12-25-20 Christmas Day

2020 City of Kerrville

Wednesday, 1-1-20 New Year's Day
Monday, 1-20-20, MLK Day
None
Friday, 4-10-20 Good Friday
Monday, 5-25-20 Memorial Day
Friday, 7-3-19, Independence Day Obsvd.
None
Monday, 9-7-20 Labor Day
None
None
Thursday, 11-26-20 Thanksgiving Day
Friday, 11-27-20 Thanksgiving holiday
Thursday, 12-24-20 Christmas Eve
Friday, 12-25-20 Christmas Day

EIC Meetings 2020

Monday, 1-20-20
Monday, 2-17-20 (*Presidents' Day*)
Monday, 3-16-20
Monday, 4-20-20
Monday, 5-18-20
Monday, 6-15-20
Monday, 7-20-20
Monday, 8-17-20
Monday, 9-21-20
Monday, 10-19-20
Monday, 11-16-20
Monday, 12-21-20 (*Monday before Christmas*)

RECOMMENDED ACTION

Review the holiday schedule above.