



**MEETING AGENDA – REGULAR AND ANNUAL MEETING OF  
THE ECONOMIC IMPROVEMENT CORPORATION  
MONDAY, JUNE 19, 2023, 3:00 PM**  
**Kerrville City Hall Council Chambers  
701 Main Street, Kerrville, Texas**

---

**1 CALL TO ORDER:**

**2 INVOCATION:**

**3 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.*

**4 APPROVAL OF MINUTES:**

- 4.A Minutes from the regular Economic Improvement Corporation (EIC) meeting held on May 15, 2023.

Attachments:

[\*5-15-2023 MINUTES.pdf\*](#)

**5 MONTHLY REPORTS:**

- 5.A Kerr Economic Development Corporation (KEDC) update.

Attachments:

[\*KEDC Summary to EIC June 2023.pdf\*](#)

- 5.B Kerrville Economic Improvement Corporation (EIC) project status update including the following:

- Tranquility Island Electrical Infrastructure
- KERV Airport Improvements
- Killdeer Mountain Manufacturing
- Peterson Medical Center Campus Infrastructure Improvements
- Louise Hays Park Fitness Court
- Downtown Area Streetscape
- Downtown River Trail Extension
- River Trail, Nimitz Lake

Attachments:

[\*6-15-2023 EIC Project Update.pdf\*](#)

- 5.C Monthly Financial Report.

Attachments:

*May 2023 financial presentation.pdf*

**6 NOMINATE AND ELECT OFFICERS:**

- 6.A Nominate and elect President, Vice-President, Secretary, and Treasurer.
- 6.B Nominate and approve the Economic Improvement Corporation (EIC) representative to the Kerrville Economic Development Corporation (KEDC).
- 6.C Nominate and approve the Economic Improvement Corporation (EIC) representative to the "GO Team".

**7 COSIDERATION AND POSSIBLE ACTION:**

- 7.A Discussion to reschedule the Economic Improvement Corporation (EIC) FY2024 November - February meetings as they fall near or on a holiday.
- 7.B Consideration of a request from the Kerrville Christmas Lighting Corporation to refund a portion of the remaining balance of the Light the Island project in the amount of \$24,213.

Attachments:

*2021-41 EIC PFA Kerrville Christmas Lighting Corporation -Tranquility Island.pdf*

**8 PUBLIC HEARING AND POSSIBLE ACTION:**

- 8.A Project Funding Agreement between City of Kerrville, TX Economic Improvement Corporation and the City of Kerrville, TX for the upsizing of the Travis Street Pump Station (water).

Attachments:

*Project C7 - Travis Street Pump Station upgrade.pdf*

**9 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:*

- 9.A Economic Development projects: (551.071, 551.087)

- Project Mount Saddle
- Project Winridge
- Project Wildflower

**10 POSSIBLE ACTION FOR ITEMS DISCUSSED IN EXECUTIVE SESSION:**

**11 ITEMS FOR FUTURE AGENDAS:**

**12 ADJOURN.**

---

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 830-257-8000 for further information.

I hereby certify that this agenda was posted as notice of the meeting on the bulletin board at the City Hall of the City of Kerrville, Texas, and on the City's website on the following date and time: 6/16/2023 at 3:00 p.m. and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

*Kesha Franchina*

Kesha Franchina, Deputy City Secretary, City of Kerrville, Texas

---



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

---

**SUBJECT:** Minutes from the regular Economic Improvement Corporation (EIC) meeting held on May 15, 2023.

**AGENDA DATE OF:** June 19, 2023

**DATE SUBMITTED:** May 24, 2023

**SUBMITTED BY:** Kesha Franchina, Deputy City Secretary

**EXHIBITS:**

---

<b>Expenditure Required:</b>	<b>Remaining Budget Balance in Account:</b>	<b>Amount Budgeted:</b>	<b>Account Number:</b>
N/A	N/A	N/A	N/A

**PAYMENT TO BE MADE TO:** N/A

---

**Kerrville 2050 Item?** No

**Key Priority Area** N/A

**Guiding Principle** N/A

**Action Item** N/A

---

**SUMMARY STATEMENT:**

Approve minutes from the regular Economic Improvement Corporation (EIC) meeting held on May 15, 2023.

**RECOMMENDED ACTION:**

Approve minutes from the regular Economic Improvement Corporation (EIC) meeting held on May 15, 2023.

**ATTACHMENTS:**

[5-15-2023 MINUTES.pdf](#)

## **CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION REGULAR MEETING – MAY 15, 2023**

On Monday, May 15, 2023, at 4:00 p.m., the regular meeting of the City of Kerrville, Texas Economic Improvement Corporation (EIC) was called to order by President Gregory Richards, in the Council Chambers at City Hall, 701 Main Street, Kerrville, Texas.

### **MEMBERS PRESENT:**

Gregory Richards, President  
Danny Almond, Vice-President  
John Anderson  
Gregg Appel  
Kim Clarkson  
Gary Cochrane

### **MEMBERS ABSENT:**

Kyle Bond

### **CHIEF EXECUTIVE STAFF:**

EA Hoppe, City Manager  
Michael Hornes Assistant City Manager  
Kesha Franchina, Deputy City Secretary  
Julie Behrens, Director of Finance

Mike Hayes, City Attorney  
Kim Meismer, Assistant City Manager  
Stuart Baron, Exec. Dir. of Public Works  
Trina Rodriguez, Asst. Dir. of Finance

**VISITORS PRESENT:** No citizen speakers registered to speak during the Visitors/Citizens forum.

**1    CALL TO ORDER:** President Richards called the meeting to order at 4:00 p.m.

**2    INVOCATION:** President Richards led the invocation.

**3    VISITORS/CITIZENS FORUM:** None

**4    APPROVAL OF MINUTES:**

4.A Minutes from the regular Economic Improvement Corporation (EIC) meeting held on April 17, 2023.

Vice-President Almond motioned to approve the minutes, seconded by Gregg Appel. The motion passed 6-0.

**5    MONTHLY REPORTS:**

5.A Kerr Economic Development Corporation (KEDC) update.

Gil Salinas and Katie Milton Jordan presented the KEDC update.

5.B. EIC project status update including the following:

- Tranquility Island Electrical Infrastructure
- KERV Airport Improvements
- Killdeer Mountain Manufacturing
- Peterson Medical Center Campus Infrastructure Improvements
- Louise Hays Park Fitness Court
- Downtown Area Streetscape
- Downtown River Trail Extension

- River Trail, Nimitz Lake

Michael Hornes presented the EIC Project Status update, he and Stuart Baron responded to questions.

#### 5.C Monthly Financial Report.

Trina Rodriguez presented the Monthly Financial Report, and responded to questions.

### **6 CONSIDERATION AND POSSIBLE ACTION:**

#### 6.A Set Annual Economic Improvement Corporation (EIC) meeting for June 2023.

Michael Hornes and Mike Hayes discussed the requirements to schedule the Annual EIC meeting.

Gary Cochrane motioned to schedule the Annual EIC meeting on June 19, 2023, at 3:00pm, seconded by Gregg Appel. The motion passed 6-0.

#### 6.B. Application for funding the Travis Street Pump Station Project, and scheduling of Public Hearing.

Michael Hornes presented the funding and public hearing request. He, Stuart Baron, Julie Behrens, and EA Hoppe responded to questions.

President Richards requested that more insight be presented at the next meeting to tie the money requested into future housing development.

Gary Cochrane motioned to set the public hearing for June 19, 2023, seconded by Vice-President Almond. The motion passed 6-0.

Vice-President Almond made a motion to convene into closed Executive Session under 551.071, 551.072, and 551.087, seconded by Gregg Appel. The motion passed 6-0. President Richards convened closed Executive Session at 5:02 p.m.

### **7 EXECUTIVE SESSION:**

#### 7.A Project Mount Saddle (551.071, 551.087)

#### 7.B Workforce Housing development projects (551.071, 551.072, 551.087).

President Richards adjourned the closed Executive Session, and returned to open session at 5:19 p.m. No action was taken in Executive Session.

### **8 POSSIBLE ACTION FOR ITEMS DISCUSSED IN EXECUTIVE SESSION:** None

### **9 ITEMS FOR FUTURE AGENDAS:** None

10      **ADJOURN.** President Richards adjourned the meeting at 5:19 p.m.

**Minutes Approved:** \_\_\_\_\_.

\_\_\_\_\_.  
Gregory Richards, EIC President

\_\_\_\_\_.  
Attest: Kesha Franchina, Deputy City Secretary



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

---

**SUBJECT:** Kerr Economic Development Corporation (KEDC) update.

**AGENDA DATE OF:** June 19, 2023      **DATE SUBMITTED:** June 15, 2023

**SUBMITTED BY:** Michael Hornes, Deputy City Manager

### EXHIBITS:

<b>Expenditure Required:</b>	<b>Remaining Budget Balance in Account:</b>	<b>Amount Budgeted:</b>	<b>Account Number:</b>
N/A	N/A	N/A	N/A

**PAYMENT TO BE MADE TO:** N/A

---

**Kerrville 2050 Item?** Yes

**Key Priority Area** N/A

**Guiding Principle** N/A

**Action Item** N/A

---

### SUMMARY STATEMENT:

#### RECOMMENDED ACTION:

Information only; no action required.

### ATTACHMENTS:

*KEDC Summary to EIC June 2023.pdf*



**KEDC MONTHLY REPORT**  
**to ECONOMIC IMPROVEMENTS CORPORATION**  
June 19, 2023

**EMPLOYMENT TRENDS:** The unemployment rate is at 3.4 percent for April down from 3.7 percent in March, which means we have a pool of 740 people available out of a 22,000 civilian workforce. The rate will drop the closer we get into the summer season.

**ROUNDTABLE:** Hosted Q2 Roundtable Luncheon with about 20 industry, education and workforce leaders. The President of Workforce Solutions-Alamo from San Antonio attended the Roundtable and provided information in regards to opportunities for our local companies.

**ERNST & YOUNG:** Hosted the accounting firm of Ernst & Young, which was touring the community and meeting with stakeholders. The firm will be producing a series of videos and podcasts featuring Kerrville and the KEDC, which will be promoted nationally and to a targeted audience of corporate executives and site selectors.

**AIRPORT MARKETING:** Met with Airport Director Mary Rohr, toured the airport to update KEDC's inventory of buildings and sites. The KEDC also attended the Annual Airport Board meeting and strategic planning session.

**MOUNT SADDLE:** Hosted the prospect and its stakeholders in Kerrville. KEDC board and local leadership met with the company. The KEDC continues to work the project on its site location process in order to place Kerrville in a favorable position.

**CHILD CARE INITIATIVE:** Hosted a series of conference calls with the Texas Workforce Commission in Austin and Workforce Solutions-Alamo in San Antonio to collaborate on childcare funding for Kerrville. KEDC also presented its Child Care Initiative to the WS Board of Directors at the request of its President & CEO Adrian Lopez. The KEDC continues working with local child care providers to support momentum of creating a Child Care Alliance, which is key in developing a funding mechanism.

*NOTE – The KEDC is currently meeting with prospective companies at the International Aerospace Conference.*



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

**SUBJECT:** Kerrville Economic Improvement Corporation (EIC) project status update including the following:

- Tranquility Island Electrical Infrastructure
- KERV Airport Improvements
- Killdeer Mountain Manufacturing
- Peterson Medical Center Campus Infrastructure Improvements
- Louise Hays Park Fitness Court
- Downtown Area Streetscape
- Downtown River Trail Extension
- River Trail, Nimitz Lake

**AGENDA DATE OF:** June 19, 2023

**DATE SUBMITTED:** March 1, 2023

**SUBMITTED BY:** Michael Hornes, Deputy City Manager

### EXHIBITS:

<b>Expenditure Required:</b>	<b>Remaining Budget Balance in Account:</b>	<b>Amount Budgeted:</b>	<b>Account Number:</b>
N/A	N/A	N/A	N/A

**PAYMENT TO BE MADE TO:** N/A

**Kerrville 2050 Item?** Yes

**Key Priority Area** N/A

**Guiding Principle** N/A

**Action Item** N/A

### **SUMMARY STATEMENT:**

### **RECOMMENDED ACTION:**

Information only; no action.

### **ATTACHMENTS:**

[\*6-15-2023 EIC Project Update.pdf\*](#)

**Monthly EIC Project Status Report**

	Project Name	Description	Estimated Design Completion	Estimated Construction Completion	Comments
1	Tranquility Island Electrical Infrastructure	Partnership with City and Kerrville Christmas Lighting Corporation to help further enhance seasonal and Christmas lighting on Tranquility Island	Complete	Phase 1 Complete	Phase 1 construction complete. Parks department staff is evaluating use of remaining funds to expand project.
2	KERV Airport Improvements	Partnership with KERV, TX DOT, City and County to build T-Hangars, Box Hangars, and other building improvements	TBD	TBD	Partnership Agreement approved Fall 2019. KERV working on Box Hangar site work in parallel with eventual Row-Hangar improvements.
3	Killdeer Mountain Manufacturing	Renovation of 40,000 sq ft building on 8.2 acres in Airport Commerce Park for 400+ employee Tier-1 aerospace manufacturer	Private	2023	Staff has been conducting inspections for plumbing and electrical work on the main building finish out.
4	Peterson Medical Center Campus Infrastructure Improvements	Campus improvements including extension of public utilities and roadway	Private	2023	Partnership Agreement approved January 2022. Construction in progress for Surgery Center. Construction in progress for off-site parking with completion anticipated early Summer 2023.
5	Louise Hays Park Fitness Court	Collaboration between BCBSTX, National Fitness Campaign and local donors to provide quality outdoor fitness equipment in Louise Hays Park.	N/A	Summer, 2023	Concrete pad and sidewalks are poured. Anticipate opening by Summer 2023.
6	Downtown Area Streetscape	Relocate overhead utility lines to underground; improved beautification of the garage with stone veneer panels, stone planter boxes, LED light upgrades and xeriscaped planter beds.	TBD	Aug-23	KPUB began construction at Water/Clay intersection on 6-12-2023, with anticipated completion of early July 2023. ADA ramp reconstruction at Water/Clay intersection anticipated to begin week of 6-19-2023.
7	Downtown River Trail extension	River Trail extension from G Street to Tranquility Island	Summer 2023	TBD	Funding application approved by EIC in November, 2022. Design approximately 90% complete. Easement acquisition in progress.
8	River Trail, Nimitz Lake	Feasibility study of extending trail around lake	Fall 2023	TBD	Feasibility study in progress with anticipated completion of August 2023.



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

---

**SUBJECT:** Monthly Financial Report.

**AGENDA DATE OF:** June 19, 2023      **DATE SUBMITTED:** June 15, 2023

**SUBMITTED BY:** Trina Rodriguez, Assistant Director of Finance

**EXHIBITS:**

---

<b>Expenditure Required:</b>	<b>Remaining Budget Balance in Account:</b>	<b>Amount Budgeted:</b>	<b>Account Number:</b>
N/A	N/A	N/A	N/A

**PAYMENT TO BE MADE TO:** N/A

---

**Kerrville 2050 Item?** No

**Key Priority Area** N/A

**Guiding Principle** N/A

**Action Item** N/A

---

**SUMMARY STATEMENT:**

**RECOMMENDED ACTION:**

Information only; no action.

**ATTACHMENTS:**

*May 2023 financial presentation.pdf*



# **Financial update for the month ended May 31, 2023**

**Economic Improvement Corporation Meeting  
June 19, 2023**



**Economic Improvement Corporation**  
**Statement of Activities**  
**Month Ended May 31, 2023**

	Annual Budget	Current Period	YTD Actual	YTD Budget Estimate	Better/Worse YTD Estimate
<b>Revenues</b>					
Sales and Use Tax	\$ 5,262,270	\$ 459,697	\$ 3,366,170	\$ 3,313,576	\$ 52,593
Interest Income	28,373	29,224	186,908	18,955	167,953
Investment Maturity	3,000,000	-	1,976,999	1,976,999	-
<b>Total Revenues</b>	<b>8,290,643</b>	<b>488,921</b>	<b>5,530,077</b>	<b>5,309,530</b>	<b>220,547</b>
 <b>Expenditures</b>					
Administrative					
Supplies and Miscellaneous	650	-	-	-	-
Legal Services	10,000	-	-	-	-
Professional Services	200,000	16,667	136,333	136,333	-
Kerr Economic Development Corp.	312,500	-	234,375	234,375	-
Total Administrative	523,150	16,667	370,708	370,708	-
Debt Service					
Debt Service - Series 2019 Ref (River Trail)	251,291	20,941	167,527	167,527	-
Debt Service - Series 2020 Ref (River Trail)	231,000	19,250	154,000	154,000	-
Debt Service - Series 2015 (KSC)	602,850	50,238	401,900	401,900	-
Total Debt Service	1,085,141	90,428	723,427	723,427	-
Investment Purchases	2,500,000	-	1,955,171	1,955,171	-
Projects					
Airport Projects	95,901	*	2,765	2,765	-
Sid Peterson Memorial Hospital	800,000	-	-	-	-
Outdoor Fitness Court	100,000	*	100,000	100,000	-
Downtown Utilities/Streetscape	400,000	*	-	-	-
Downtown River Trail	1,020,280	*	250,000	250,000	-
Total Projects	2,416,181	-	352,765	352,765	-
<b>Total Expenditures</b>	<b>6,524,472</b>	<b>107,095</b>	<b>3,402,071</b>	<b>3,402,071</b>	<b>-</b>

**Economic Improvement Corporation****Cash Flow Forecast****As of May 31, 2023**

		<b>FY2023 Actual</b>		<b>FY2023 Projection</b>	
		Oct 2022 to May 2023		Jul 2023 to Jun 2023	
		\$	3,606,229	\$	5,818,186
<b>Beginning Cash Balance</b>					
<b>Revenue</b>					
Sales Tax	3,366,170		436,660	1,512,034	
Interest Income	186,908		29,894	87,390	
Investment Maturity	1,976,999		-	500,000	
<b>Total Revenue</b>	5,530,077		466,553	2,099,424	
<b>Expenditures</b>					
Administrative					
Supplies and Miscellaneous	-		163	163	
Legal Services	-		2,500	2,500	
Professional Services	136,333		16,667	50,000	
Kerr Economic Development Corp.	234,375		-	78,125	
Total Administrative	370,708		19,329	130,788	
Debt Service	723,427		90,428	271,285	
Projects					
Airport Projects	2,765		46,569	46,569	
Sid Peterson Memorial Hospital	-		-	800,000	
Outdoor Fitness Court	100,000		-	-	
Downtown Utilities/Streetscape	-		200,000	200,000	
Downtown River Trail	250,000		-	125,000	
Total Projects	352,765		246,569	1,171,569	
Investment Purchase	1,955,171		-	500,000	
<b>Total Expenditures</b>	3,402,071		356,326	2,073,641	
Interest Receivable	20,160		6,394	16,890	
<b>Ending Cash Balance</b>	\$ 5,714,353		\$ 5,818,186	\$ 5,827,079	



# Financial Analysis

Sales Tax Revenue Analysis - FY2023					
Month	Actual FY2022	Budget FY2023	Actual FY2023	FY2022 vs. FY2023	Budget vs. Actual
October	\$ 365,850	\$ 385,387	\$ 442,046	20.83%	14.70%
November	420,172	432,879	411,128	-2.15%	-5.02%
December	333,189	378,611	376,754	13.08%	-0.49%
January	421,736	413,564	436,330	3.46%	5.50%
February	474,948	516,676	491,396	3.46%	-4.89%
March	366,033	378,656	384,056	4.92%	1.43%
April	314,340	333,031	364,763	16.04%	9.53%
May	444,108	474,771	459,697	3.51%	-3.18%
June	406,782	436,660	379,437	-6.72%	-13.10%

Cash Analysis as of May 31, 2023		
Type	Placement	Amount
Pool	EIC TexPool	\$ 5,714,353
ST Investment	Toyota Motor Credit CP-8923A1VR9	\$ 493,649
ST Investment	FHLB Call Note-3130ATRA7	\$ 498,616
ST Investment	Fannie Mae Note-3135G0V34	\$ 980,948
<b>Total Cash and Investments</b>		<b>\$ 7,687,566</b>

Project Analysis as of May 31, 2023			
Project Description	EIC Commitment	Disbursed Funding	Remaining Funding
<b>Committed Projects:</b>			
Airport Projects	132,767	39,630	93,137
Sid Peterson Memorial Hospital	1,600,000	-	1,600,000
Outdoor Fitness Court	100,000	100,000	-
Downtown Utilities/Streetscape	400,000	-	400,000
Downtown River Trail	1,020,280	250,000	770,280
<b>Committed Project Total</b>	<b>\$ 3,253,047</b>	<b>\$ 389,630</b>	<b>\$ 2,863,417</b>



# Questions?



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

---

**SUBJECT:** Nominate and elect President, Vice-President, Secretary, and Treasurer.

**AGENDA DATE OF:** June 19, 2023      **DATE SUBMITTED:** January 24, 2023

**SUBMITTED BY:** Michael Hornes, Deputy City Manager

**EXHIBITS:**

<b>Expenditure Required:</b>	<b>Remaining Budget Balance in Account:</b>	<b>Amount Budgeted:</b>	<b>Account Number:</b>
N/A	N/A	N/A	N/A

**PAYMENT TO BE MADE TO:** N/A

---

**Kerrville 2050 Item?** Yes

**Key Priority Area** N/A

**Guiding Principle** N/A

**Action Item** N/A

---

**SUMMARY STATEMENT:**

Nominate and elect President, Vice-President, Secretary, and Treasurer.

Staff recommends the Economic Improvement Corporation appoint the City Secretary's Office as the EIC Secretary, and appoint the Finance Department as the Treasurer.

**RECOMMENDED ACTION:**

Nominate and elect President, Vice-President, Secretary, and Treasurer.



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

---

**SUBJECT:** Nominate and approve the Economic Improvement Corporation (EIC) representative to the Kerrville Economic Development Corporation (KEDC).

**AGENDA DATE OF:** June 19, 2023      **DATE SUBMITTED:** March 1, 2023

**SUBMITTED BY:** Michael Hornes, Deputy City Manager

**EXHIBITS:**

<b>Expenditure Required:</b>	<b>Remaining Budget Balance in Account:</b>	<b>Amount Budgeted:</b>	<b>Account Number:</b>
N/A	N/A	N/A	N/A

**PAYMENT TO BE MADE TO:** N/A

---

**Kerrville 2050 Item?** Yes

**Key Priority Area**      N/A  
**Guiding Principle**      N/A  
**Action Item**      N/A

---

**SUMMARY STATEMENT:**

**RECOMMENDED ACTION:**

Nominate and approve.



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

---

**SUBJECT:** Nominate and approve the Economic Improvement Corporation (EIC) representative to the "GO Team".

**AGENDA DATE OF:** June 19, 2023      **DATE SUBMITTED:** March 1, 2023

**SUBMITTED BY:** Michael Hornes, Deputy City Manager

**EXHIBITS:**

<b>Expenditure Required:</b>	<b>Remaining Budget Balance in Account:</b>	<b>Amount Budgeted:</b>	<b>Account Number:</b>
N/A	N/A	N/A	N/A

**PAYMENT TO BE MADE TO:** N/A

---

**Kerrville 2050 Item?** Yes

**Key Priority Area**      N/A  
**Guiding Principle**      N/A  
**Action Item**      N/A

---

**SUMMARY STATEMENT:**

**RECOMMENDED ACTION:**

Nominate and approve.



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

---

**SUBJECT:** Discussion to reschedule the Economic Improvement Corporation (EIC) FY2024 November - February meetings as they fall near or on a holiday.

**AGENDA DATE OF:** June 19, 2023      **DATE SUBMITTED:** May 24, 2023

**SUBMITTED BY:** Michael Hornes, Deputy City Manager

**EXHIBITS:**

---

<b>Expenditure Required:</b>	<b>Remaining Budget Balance in Account:</b>	<b>Amount Budgeted:</b>	<b>Account Number:</b>
N/A	N/A	N/A	N/A

**PAYMENT TO BE MADE TO:** N/A

---

**Kerrville 2050 Item?** No

**Key Priority Area**      N/A  
**Guiding Principle**      N/A  
**Action Item**      N/A

---

**SUMMARY STATEMENT:**

Cancel or reschedule the Economic Improvement Corporation (EIC) FY2024 November - February meetings as they fall on or near a holiday.

**FY2024 EIC Calendar:**

**Third Monday of the Month**      **Suggested Date:**

11/20/2023 Thanksgiving Week	11/13/2023, or cancel
12/18/2023 Christmas Holiday	12/11/2023, or cancel
1/15/2024 Closed – MLK Day	1/8/2024, or cancel
2/19/2024 Closed – Presidents Day	2/12/2024, or cancel

**RECOMMENDED ACTION:**

Cancel or reschedule the Economic Improvement Corporation (EIC) FY2024 November - February meetings as they fall on or near a holiday.



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

**SUBJECT:** Consideration of a request from the Kerrville Christmas Lighting Corporation to refund a portion of the remaining balance of the Light the Island project in the amount of \$24,213.

**AGENDA DATE OF:** June 19, 2023

**DATE SUBMITTED:** June 15, 2023

**SUBMITTED BY:** Ashlea Boyle, Director Parks & Recreation

### EXHIBITS:

<b>Expenditure Required:</b>	<b>Remaining Budget Balance in Account:</b>	<b>Amount Budgeted:</b>	<b>Account Number:</b>
\$24,213	N/A	\$200,000	70-21008

**PAYMENT TO BE MADE TO:** Kerrville Christmas Lighting Corporation  
Attn: George Eychner, President  
2108 Sidney Baker Street  
Kerrville, TX 78028

---

**Kerrville 2050 Item?** Yes

**Key Priority Area** D - Downtown Revitalization

**Guiding Principle** N/A

**Action Item** D1.12 - Expand/Grow Christmas light installation to the entire Downtown area and Louise Hays Park

---

### **SUMMARY STATEMENT:**

The Kerrville Christmas Lighting Corporation (KCLC) has requested a refund of a portion of the remaining project balance for the Light the Island Project. The remaining project balance is \$44,273.12. The refund request is for \$24,213 and would be used for the purpose of purchasing additional zig-zag holiday street ornaments.

Pursuant to the funding agreement, the City is not obligated to refund any of this amount to KCLC; however, city staff are supportive of this request. The agreement is attached for reference.

Should the EIC decide to approve the refund request, the City would still plan to spend the remaining project balance.

### **RECOMMENDED ACTION:**

Consideration of the request.

**ATTACHMENTS:**

2021-41 EIC PFA Kerrville Christmas Lighting Corporation -Tranquility Island.pdf

PROJECT FUNDING AGREEMENT BETWEEN THE CITY OF KERRVILLE, TEXAS, ECONOMIC IMPROVEMENT CORPORATION; THE CITY OF KERRVILLE, TEXAS; AND KERRVILLE CHRISTMAS LIGHTING CORPORATION; FOR THE INSTALLATION OF ELECTRICAL INFRASTRUCTURE TO SERVE TRANQUILITY ISLAND WITHIN LOUISE HAYS PARK

THIS PROJECT FUNDING AGREEMENT (the "Agreement") is entered into this 31<sup>st</sup> day of March, 2021, by and between the **City of Kerrville, Texas Economic Improvement Corporation** ("EIC"), a Texas non-profit corporation established by City pursuant to Section 4B of Tex. Rev. Civ. Stat. Art. 5190.6 and now codified in Chapters 501, 502, and 505 of the Texas Local Government Code; otherwise known as the Development Corporation Act of 1979 ("the Act"); the **City of Kerrville, Texas** ("City"), a Texas home-rule municipality; and **Kerrville Christmas Lighting Corporation** ("KCLC"), a Texas nonprofit corporation. EIC, City, and KCLC may be collectively referred to herein as "Parties" and individually as "Party".

**WITNESSETH:**

**WHEREAS**, pursuant to the Act, EIC is authorized to provide funding relating to the construction of projects which EIC finds to be encompassed within the definitions of "Projects", as that word is defined by 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 defined by the Act, including:

land, buildings, *equipment, facilities, and improvements* found by the EIC 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 Section 505.152 of the Act (emphasis supplied); and

**WHEREAS**, KCLC mission is to enhance Christmas lighting within the greater Kerrville area in order to promote Christmas spirit, tourism, and the quality of life; and

**WHEREAS**, after a successful fundraising and lighting project in 2020, KCLC's focus has shifted toward a project to improve the electrical infrastructure and lighting on Tranquility Island within the City's Louise Hays Park by flood-proofing the electrical grid as a means of supporting additional lighting and other uses in this area (the "Project"); and

**WHEREAS**, following completion of the Project, the City plans to oversee the installation of programmable floodlights on approximately 105 Cypress Trees that border the river in this area, and in doing so, foster the development of a gathering spot for Kerrville residents and tourists; and

**WHEREAS**, City has hired and is currently overseeing an engineering consultant for design services related to the Project; and

**WHEREAS**, the Project is estimated to cost \$200,000.00, with KCLC fundraising and contributing \$100,000.00 toward this cost; and

**WHEREAS**, KCLC seeks grant funding from the EIC in the amount of \$100,000.00, for the remaining portion of the cost for the Project; and

**WHEREAS**, once KCLC provides its portion of the Project's costs to the City, City will then proceed with the Project, to including bidding a construction contract; and

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

**WHEREAS**, more specifically, EIC finds that the Project includes facilities and improvements required or suitable for use for entertainment and tourist purposes and events and other related improvements that enhance any of the items described here; and

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

**WHEREAS**, on March 15, 2021, 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, City, and KCLC agree as follows:

1. **“Project” Defined:** When used in this Agreement, the phrase “Project” means the project summary and approximate cost itemization, to date, as specified in **Exhibit A**, attached hereto, and included herein for all purposes. City will manage the funding it receives from KCLC and EIC and the bidding, management, and construction of the Project. Other than continuing to prepare design documents, City will not proceed with the Project until it receives KCLC’s full contribution for \$100,000.00 (“KCLC’s Contribution”). City shall not substantively alter the description of the Project in any respect without the prior approval of the EIC. In addition, City shall provide periodic reports to the EIC with respect to the Project, its design, timing, and costs. Where the bidding process determines that the cost of the Project will exceed \$200,000.00, the City is under no obligation to proceed but may choose to suspend its performance until discussing this issue with the parties and/or terminate this Agreement.
2. **Agreement to Fund Project:** EIC agrees to provide City an amount up to and not to exceed \$100,000.00 in 4B Revenues for the Project. EIC will provide the funding only after City confirms that it has received KCLC’s Contribution.
3. **Payments Authorized:** City is authorized to make payments for the Project directly from the General Capital Projects Fund.
4. **Eligible Costs:** Payments made by City from 4B Revenues as authorized by Section 3, above, are limited to the payment of “costs” as defined in the Act.
5. **City’s Receipt of KCLC’s Contribution:** Prior to bidding, City must receive KCLC’s Contribution. Should City fail to receive this amount on or before December 31, 2021, City shall report this event to EIC and the EIC and/or City may terminate this Agreement.
6. **Project’s Timeline:** City has begun work toward the design of the Project. Thereafter, construction activities will begin on or before March 15, 2022. Should such activities not occur by these dates, EIC may elect to terminate this Agreement.
7. **Conditions Under which City may Suspend Performance of its Obligations under this Agreement:** Under any of the following conditions, the City may, at its option, after at least fifteen (15) days written notice to EIC and KCLC, suspend further performance under this Agreement until such time as KCLC shall have cured the condition(s) and so notified the City, in writing, that the condition(s) have been cured:
  - a. KCLC becomes insolvent. “Insolvent” is defined to mean one either has ceased to pay its debts in the ordinary course of business or cannot pay its debts as they become due, or is insolvent within the meaning of the federal bankruptcy law.

b. The appointment of a receiver of KCLC, or of all or any substantial part of the Property, and the failure of such receiver to be discharged within sixty (60) days thereafter.

c. The adjudication of KCLC as bankrupt.

d. The filing by KCLC of a petition to be adjudged as bankrupt, or a petition or answer seeking reorganization or admitting the material allegations of a petition filed against it in any bankruptcy or reorganization proceeding.

e. Should any of these conditions not be cured by KCLC within ninety (90) days, KCLC will be considered to have breached this Agreement and City may, at its option, with written notice to KCLC, terminate this Agreement.

8. **KCLC's Representations, Warranties, and Performance:**

a. KCLC represents and warrants as of the date hereof:

(i) KCLC is a Texas nonprofit corporation existing in good standing and authorized to do business in the State of Texas;

(ii) Execution of this Agreement has been duly authorized by KCLC and this Agreement is not in contravention of KCLC's governing authority or any agreement or instrument to which KCLC is a party or by which it may be bound as of the date hereof;

(iii) No litigation or governmental proceeding is pending, or, to the knowledge of KCLC, threatened against or affecting KCLC, which may result in a material adverse change in KCLC's business; properties, to include KCLC's Property; or operations sufficient to jeopardize KCLC's legal existence;

(iv) No written application, written statement, or correspondence submitted by KCLC to EIC or the City in connection with this Agreement, or in connection with any transaction contemplated hereby, to the knowledge of KCLC, contains any untrue statement of a material fact or fails to state any material fact necessary to keep the statements contained therein from being misleading;

(v) Following completion of the Project and then the subsequent lighting, KCLC shall help promote the Project to the community; and

(vi) KCLC shall pay City \$100,000.00 on or before December 31, 2021, which City shall use for Project costs. Should the overall cost of the Project end up being less than \$200,000.00, City is not obligated to refund any part of this amount to KCLC.

b. Except as expressly set forth in this section, KCLC makes no other representation or warranty of any kind in connection with or related to the provisions of this Agreement.

9. **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.

10. **Amendment:** This Agreement may be amended only by written amendment signed by the parties.

11. **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

**KCLC**

George Eychner, President  
KCLC  
2108 Sidney Baker St.  
Kerrville, Texas 78028

12. **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.
13. **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.
14. **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.
15. **Parties in Interest:** Nothing in this Agreement shall entitle any party other than EIC, City, or KCLC to any claim, cause of action, remedy, or right of any term of this Agreement.
16. **Survival of Terms:** All rights, duties, liabilities, and obligations accrued prior to termination will survive termination.
17. **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

By: Bill Blackburn  
Bill Blackburn, Mayor

ATTEST:

Shelley McElhannon  
Shelley McElhannon, City Secretary

APPROVED AS TO FORM:

Michael C. Hayes  
Michael C. Hayes, City Attorney

CITY OF KERRVILLE, TEXAS ECONOMIC  
IMPROVEMENT CORPORATION

By: Greg Richards  
Greg Richards, President

ATTEST:

Kesha Franchina  
Kesha Franchina, Secretary for the EIC

KCLC

By: George Eychner  
George Eychner, President



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

**SUBJECT:** Project Funding Agreement between City of Kerrville, TX Economic Improvement Corporation and the City of Kerrville, TX for the upsizing of the Travis Street Pump Station (water).

**AGENDA DATE OF:** June 19, 2023

**DATE SUBMITTED:** May 17, 2023

**SUBMITTED BY:** Michael Hornes, Deputy City Manager

### **EXHIBITS:**

<b>Expenditure Required:</b>	<b>Remaining Budget Balance in Account:</b>	<b>Amount Budgeted:</b>	<b>Account Number:</b>
N/A	N/A	N/A	N/A

**PAYMENT TO BE MADE TO:** N/A

**Kerrville 2050 Item?** Yes

**Key Priority Area** W - Water / Waste-Water / Drainage

**Guiding Principle** N/A

**Action Item** N/A

### **SUMMARY STATEMENT:**

The College Cove Pressure Plane will need to add pumping capacity to handle future water connections as the Loop 534 area around Peterson Middle School continues to grow. Without this upgrade development will be delayed or not at all. The challenge in placing these pump upgrades upon the development community is the piecemeal nature of development. Each individual development will be required to add enough pumping capability for their portion of that future capacity. It would be inefficient to mobilize multiple times to upgrade or add new pumps over the course of all the developments.

In appendix G of the Water and Wastewater Master Plan Update, project number C7, the Travis Street Pump Station outlines the estimated project total of \$557,000, which is attached to this agenda bill. This project includes replacement of existing 250 gpm Travis Street Pump Station pumps to increase capacity to 1200 gpm. A capacity expansion is recommended to provide service to proposed future developments.

The \$557,000 estimate is from October of 2022, and while our hope is that the costs have not increased, staff would recommend funding a grant not to exceed \$750,000 to cover any inflation this project may have incurred in the intervening months.

### **RECOMMENDED ACTION:**

Approve Project Funding Agreement between City of Kerrville, TX Economic Improvement Corporation and the City of Kerrville, TX for the upsizing of the Travis Street Pump Station (water).

**ATTACHMENTS:**

*Project C7 - Travis Street Pump Station upgrade.pdf*


**Water Master Plan**
**Development Improvement Plan Cost Estimate**
**October 2022**

<b>Project Number:</b>	<b>C7</b>	<b>Phase:</b>	<b>Development Scenario C</b>
<b>Project Name:</b>	Travis Street Pump Station	<b>Pressure Plane:</b>	College Cove
<b>Project Description:</b>			

This project includes replacement of existing Travis Street Pump Station pumps to increase capacity. A capacity expansion is recommended to provide service to proposed future developments.

**Project Driver:**

The purpose of this project is to add distribution pumping capacity to meet TCEQ minimum requirements for projected developments. Alignments are provided for planning purposes only, final alignments may be subject to change.

**Itemized Cost Estimate**

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
1	600 gpm Pump	2	EA	\$ 130,000	\$ 260,000
2	Pump Station Header Piping & Appurtenances	1	LS	\$ 80,000	\$ 80,000
<b>Water Facility Condition Rating:</b>				<b>SUBTOTAL:</b>	\$ 340,000
--		MOBILIZATION		5%	\$ 17,000
				<b>SUBTOTAL:</b>	\$ 357,000
		CONTINGENCY		30%	\$ 107,100
				<b>SUBTOTAL:</b>	\$ 464,100
		ENG/SURVEY		20%	\$ 92,900
				<b>SUBTOTAL:</b>	\$ 557,000
					<b>Estimated Project Total:</b> \$ 557,000