

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

**MAY 20, 2019**

On Monday, May 20, 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. Ms. Sigerman 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, Assistant 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 April 15, 2019.

Mr. Barnett asked that the minutes be corrected to reflect that he did not offer the invocation at the April 15<sup>th</sup> meeting.

Mr. McKinney moved to approve the minutes with the above correction. Mr. Barnett seconded the motion and the motion passed 7-0.

3. **MONTHLY REPORTS:**

3A. Monthly financials for April 2019.

Ms. Dozier reported that the EIC operating fund received sales tax revenue of \$284,581 in April 2019, which was a 17.7% increase compared to April 2018. April 2019 included two of the largest ta payers pre-paid taxes that would normally be received in May. After

adjusting for those prepayments, sales tax revenue was up 7.2% compared to the prior year. The City's two largest sales tax categories, retail trade and food services, continue to show strong growth.

Interest income for the month was \$7,887. EIC's money is invested entirely in TexPool, which was earning 2.55% as of May 17, 2019. Rates fell slightly after peaking at 2.60% on May 1, 2019. The investment is completely liquid and can be used to fund projects at any time.

Expenditures for the month were \$407,682, which included budgeted transfers for debt service and the administrative service fee plus a \$300,000 transfer to the project fund.

During April, the Project Fund received the aforementioned \$300,000 transfer. The transfer was allocated equally between saving for remaining commitments on the Schreiner University River Trail project and the Olympic Drive project. As of April 30<sup>th</sup>, the project fund has \$1,167,132 in set aside money not yet allocated to a specific project and \$1,500,000 in funding still required for signed agreements.

Current projections show an approximate uncommitted cash balance of \$660,000 at the end of the fiscal year on September 30, 2019.

Ms. Dozier also reviewed a cash flow forecast chart.

3B. Projects update:

Mr. Hoppe made the following reports:

River Trail Extension to Schreiner University

The construction documents were approximately 90% finished.

Tennis Center Improvements:

There were some rain delays, but the project was on-point. The projected completion time frame was spring 2020.

Aquatics Feasibility Study:

The project was paused due to re-plastering of the pool.

Legion Lift Station:

Much work was being done at Loop 534 and State Highway 27. The project was on schedule, and within budget, with a projected completion time from of early 2020.

Reuse Distribution Lines

Forensic analysis was continuing.

EconoLodge/Hobby Lobby

The property was transferred to Hobby Lobby mid-April. There was still a projected opening time frame of September 2019.

Thompson/Spur 98 Infrastructure Extension

Easements were fully acquired. Bids were being accepted. The projected completion time frame was the end of the first quarter of Fiscal Year 2020.

- 3C. Monthly update from Kerr Economic Development Corporation (KEDC).  
Walt Koenig gave a report for KEDC. The Stakeholder Retreat was scheduled for May 21, 2019.

**4. CONSIDERATION AND POSSIBLE ACTION:**

4A. Economic development funding request for renovation of the Arcadia Theater. Mr. Hoppe presented the request. The property was recently acquired by the Kerrville 4<sup>th</sup> on the River non-profit group. He introduced Ann Overby, Executive Director of Kerrville 4<sup>th</sup> on the River, who reviewed the plans for obtaining funding for the renovations. She hoped to have 70-75% of the funds by the end of July, with a projected opening date of April 3, 2020.

The following people spoke:

Linda Bullard

Greg Bitcour

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 5-0. (Mr. Naman and Ms. Megee left the chambers prior to the vote on the motion)

**5. EXECUTIVE SESSION:**

5A. 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) inc

5B. Economic development funding request for renovation of the Arcadia Theater.

At 4:53 p.m., the executive closed session recessed and EIC returned to open session at 5:36 p.m. Mr. Early announced that no action was taken at executive session.

**6. POSSIBLE ACTION FOR ITEMS DISCUSSED IN EXECUTIVE SESSION:**

Ms. Sigerman moved to direct staff to draft a request for funding for the renovation of the Arcadia Theater, and to get it to the EIC members prior to their 6-17-19 meeting; and to hold a public hearing for the funding request at that meeting. Mr. McKinney seconded, and the motion passed 7-0.

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

**8. ANNOUNCEMENTS:** None

**9. ADJOURNMENT**

Mr. Early adjourned the meeting at 5:38 p.m.

APPROVED: 06/17/2019

---

Kenneth Early, President

ATTEST:

---

Cheryl Brown, Deputy City Secretary