

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

**REGULAR MEETING  
MARCH 21, 2011**

On Monday, March 21, 2011, the meeting of the directors of the City of Kerrville, Texas Economic Improvement Corporation, was called to order at 4:00 p.m. by Bill Crumrine, President, in the City Hall Council Chambers, 800 Junction Highway, Kerrville, Texas.

**Members Present:**

Bill Crumrine, President  
Jack Pratt, Vice President  
Alan Massey, Secretary  
Gregg Appel  
Rex Boyland  
Warren Ferguson  
Robert Miller

**Members Absent:**

None

**Staff Present:**

Todd Parton, City Manager  
Mike Hayes, City Attorney  
Mindy Wendele, Director of Business Programs  
Mike Erwin, Director of Finance  
Sai Vongchampa, Purchasing Manager  
Teri Kinsey, Assistant to the City Secretary

2. **INVOCATION:** Given by President Bill Crumrine.

3. **VISITORS FORUM:** No one spoke

4. **MONTHLY REPORTS:**

4A. Monthly financials for February 2011.

Mr. Pratt moved to approve the February 2011 financials as presented; Mr. Ferguson seconded; motion passed 7-0.

4B. EIC construction project status report.

Mr. Erwin presented the February 2011 construction project status report. The construction report was accepted by consensus.

5. **INFORMATION AND DISCUSSION:**

5A. Update from Investment Policy Committee concerning action taken at the January 17, 2011 EIC meeting relative to the Investment Policy.

Rex Boyland's questions concerning the investment policy would be answered at the first review meeting, as per the investment policy, to be considered for approval by City Council at the April 12, 2011 city council meeting.

5B. Update on Pinto Trail Project.

Parker Harrison presented an update on the Pinto Trail Project stating the preliminary plat will go before the Planning and Zoning Commission on April 7, 2011, engineering work was being reviewed, HCHOC will be accepting bids for the infrastructure, and approximately \$14,000 of the total amount granted to the Hill Country Home Opportunity Council last year has been spent. The infrastructure work should begin in April.

5C. Update from the Kerrville Economic Development Corporation.

Ray Watson, Director of the Kerrville Economic Development Corporation, introduced himself to the Board and gave background information about his work history and education. Mr. Watson invited each member of the Board to speak with him on an individual basis and advised his door was always open. The Board asked when the quarterly reports from KEDC would begin; Mr. Watson advised that within the next month and a half EIC would receive the first report. Mr. Watson also stated that the KEDC is backing the strategic plan presented by the city and that they have started their own branding process as of March 21, 2011.

**6. CONSIDERATION AND ACTION:**

6A. Consideration and approval of The Economic Development Strategic Plan with City Council.

Todd Parton presented the Economic Development Strategy outlining the Scope of Place, Quality of Place and Core Infrastructure. Mr. Parton explained that Kerrville's economic development strategy should be scheduled to accommodate short-term, medium-term, and long-term objectives. It was Mr. Parton's recommendation that no more than 50% of 4B revenues to debt service that exceeds 10 years, which will accommodate larger-scale projects while preserving a substantial amount of operating capital each year. The Board asked the following questions:

- How will the riverside property be utilized for job and retail creation
- How did the city justify allotting \$2M toward the Nature Center area
- How does the city plan on funding clean-up after flooding and the time frame
- What is the prioritizing of these projects
- Where is the job creation in this proposal

Mr. Parton outlined an excerpt from the updated Kerrville Comprehensive Plan 2002 that explained the use of land to promote growth and guide future development, maintain and improve parks and recreational areas and to make the river the focus of Kerrville, including maintaining and clean-up after any flooding that might occur. The draft strategic plan was designed to be a starting point for a course of discussion between City Council and EIC and will be presented to City Council on April 12, 2011; a workshop between City Council and EIC will be scheduled for late April or May. The Board requested that the strategic plan approved in 2008 be provided in order to compare with the current draft and a detailed agenda and packet be available for the future workshop.

6B. Consideration of funding agreement amendment request from Hewitt Engineering.

John Hewitt informed the Board that the remodeling project at 716 Barnett has been completed and he was requesting reimbursement of \$8,000 along with an amendment for an additional \$2,000. Mr. Hewitt advised the Board the original contractor was unable to complete the project and a different contractor had to be hired for an additional cost.

Mr. Massey moved to direct staff to prepare an amendment to the original funding agreement for reimbursement of an additional \$2,000; Mr. Ferguson seconded, motion passed 6-0-1 with Messrs Crumrine, Pratt, Boyland, Massey, Ferguson, and Miller voted for; no one voted against; and Mr. Appel abstained.

6C. Consider proposal from Kerr Economic Development Foundation ("KEDF") for the Economic Improvement Corporation to enter into a Purchase and Sale Agreement with KEDF for the purchase of approximately 86.71 acres located at 300 Peterson Farm Road, which is intended to become the new site of the United State Department of Agriculture ("USDA") Knipling-Bushland Laboratory.

It was the recommendation of staff that The Board go into executive session for discussion of this matter.

**8. EXECUTIVE SESSION:**

Mr. Pratt moved that the Economic Improvement Corporation go into executive closed session under sections 551.071 (consultation with attorney) and 551.072 (deliberation regarding real property) of Chapter 551 of the Government Code of the State of Texas; Mr. Appel seconded; motion passed 7-0 to discuss the following matters:

Sections 551.071 and 551.072:

- Consider proposal from Kerr Economic Development Foundation ("KEDF") for the Economic Improvement Corporation to enter into a Purchase and Sale Agreement with KEDF for the purchase of approximately 86.71 acres located at 300 Peterson Farm Road, which is intended to become the new site of the United State Department of Agriculture ("USDA") Knipling-Bushland Laboratory.

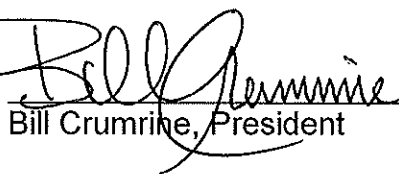
At 5:41 p.m. the regular meeting recessed and the Board went into executive closed session at 5:48 p.m. At 6:21 p.m. the executive closed session recessed and the Board returned to open session at 6:22 p.m. The chairman announced that no action had been taken in executive session.

**9. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION: None**

**10. ADJOURNMENT:**

Mr. Pratt moved to adjourn the meeting; Mr. Appel seconded; motion passed 7-0. The meeting adjourned at 6:24 PM.

**APPROVED:** April 18, 2011

  
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Bill Crumrine, President

  
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Teri Kinsey, Deputy City Secretary