

**CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION  
REGULAR MEETING** **FEBRUARY 27, 2012**

On Monday, February 27, 2012, the meeting of the directors of the City of Kerrville, Texas Economic Improvement Corporation, was called to order at 4:00 p.m. by Gregg Appel, President, in the City Hall Council Chambers, 800 Junction Highway, Kerrville, Texas.

**Members Present:**

Gregg Appel, President  
Rex Boyland, Secretary  
Gary Cochran (arrived at 4:09)  
Larry Howard  
Stacie Keeble  
Polly Rickert

**Members Absent:**

Kenneth Early, Vice President

**City Staff Present:**

Todd Parton, City Manager  
Mike Hayes, City Attorney  
Kristine Ondrias, Assistant City Manager  
Brenda G. Craig, City Secretary  
Cheryl Brown, Administrative Assistant  
Mike Erwin, Director of Finance  
Mindy Wendele, Director of Business Programs  
Malcolm Matthews, Director of Parks and Recreation  
Dieter Werner, Director of Engineering

**Visitors Present:** Visitors list on file in the City Secretary's Office.

**INVOCATION:** Given by President Gregg Appel.

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

2. **APPROVAL OF THE MINUTES:**

2A. Minutes of the regular meetings held December 19, 2011, and January 23, 2012.  
Mr. Howard moved for approval of the minutes of December 19, 2011, and January 23, 2012; Mr. Boyland seconded the motion and it passed 6-0.

3. **MONTHLY REPORTS:**

3A. Monthly financials for January 2012. Mr. Erwin reported:  
-Sales tax received for January was \$204,000; overall, 2012 sales tax collected was 16% ahead of 2011 collections.  
-\$250,000 was transferred to the Harper Highway project.  
-\$25,000 would be transferred monthly into the river trail and parks improvement project.

- The first debt issuance for the river trail and parks improvement project was in December 2011; the second issuance was February 14, 2012, at a combined interest rate of 2.54% for 20 years. The debt service fund balance was \$585,000 and the interest payment would be about \$90,000 annually in September.
- He proposed to close several EIC projects through a budget amendment to city council in April and move those project fund balances back into the EIC fund.
- A letter from Standard & Poor's confirmed the city's "A+" rating.

3B. Capital project update. Ms. Wendele reported:  
Harper Highway Project Phase I: Will be closed in the April budget amendment.  
Harper Highway Project Phase II: Construction to start in May; 180 day completion.  
Commercial Improvement Program: No activity.  
Salvation Army Kroc Center: Will be closed in the April budget amendment.

#### **4. INFORMATION AND DISCUSSION:**

4A. Update on Hill Country Shooting Sport Center: Jack Burch (HCSSC owner), reported he was waiting on the driller to drill the well. Ducks Unlimited recently finished, and their event netted \$21,000.00.

4B. Update on Pinto Trail project: Scott Peschel reported HCHO expected to receive approval from the city inspection department soon. HCHO received additional property and platting should be completed by the end of the week for a total of twelve lots. HCHO was in the process of hiring a new director.

4C. Update on river trail and parks projects: Mr. Matthews reported that letters were sent to the Texas Parks and Wildlife Department and the Corp of Engineers for sand and gravel permits, flood plain review and endangered species information; information should be received in 30 days. Letters would also be submitted to TXDOT and the Texas Land Office to secure easements for the pedestrian river crossing on Lemos Street. He anticipated a March 23 bid date. He noted there were three options under review for the trail route in the Guadalupe Street area.

4D. Update from the Kerrville Economic Development Corporation (KEDC). (Appel) Mr. Appel reported that the closing for the Fox Tank property was pending and should be finalized soon, and the building next door had been leased. Mr. Fox planned to build a 10,000-15,000 square foot facility. Mr. Appel stated that KEDC had approved the concept of a conference center/hotel as a primary project to work on and an incentive package was being created. The county had passed the tax abatement for the LeMeilleur Automotive Repair facility on Peterson Drive. Culligan Water Company was planning a new facility. KEDC was working with the Alamo community College to create job training programs, such as welding for the Fox Tank Company; there was discussion of establishing a training center at the airport.

Mr. Parton stated that Fox Tank planned to complete work on their first tank at the Kerrville facility within the week.

4E. Update regarding “Go” Team activities. (Wendele)

Ms. Wendele presented an update on the “Go” Team activities. She also passed out some outlines of future “Go” Team activities and projects.

**5. CONSIDERATION AND POSSIBLE ACTION:**

5A. Economic development grant agreement between Kerrville Economic Development Corporation (KEDC) and the City of Kerrville, Texas Economic Improvement Corporation. Matter was deferred to executive session.

5B. Amend the FY 2012 City of Kerrville, Texas Economic Improvement Corporation’s budget to reflect changes to the operating, capital, and debt service budgets. Amend the FY 2012 City of Kerrville, Texas Economic Improvement Corporation’s budget to reflect changes to the operating, capital and debt service budgets: Mr. Erwin reviewed the budget and estimated there would be \$1,277,000 remaining in the EIC budget if there were no new projects.

5C. Review appraisals and discuss possible disposition of Peterson Farm Road property. Ms. Ondrias provided the board copies of two 2010 appraisals and the 2007 appraisal of the Peterson Farm Road property. Discussion was deferred to Executive Session.

**6. EXECUTIVE SESSION:**

Mr. Boyland moved that the Economic Improvement Corporation go into executive closed session under Section 551.071 (consultation with attorney), 551.072 (deliberation regarding real property), and Section 551.087 (deliberation regarding economic development negotiations) of Chapter 551 of the Government Code of the State of Texas; Mr. Cochrane seconded the motion, and it passed 6-0 to discuss the following matters:

Sections 551.071 and 551.087:

- Economic development grant agreement between Kerrville Economic Development Corporation (KEDC) and the City of Kerrville, Texas Economic Improvement Corporation.

Sections 551.071 and 551.072:

- Review appraisals and discuss possible disposition of Peterson Farm Road property.

At 4:30 p.m. the regular meeting recessed and the Board went into executive closed session at 4:38 p.m. At 5:31 p.m. the executive closed session recessed and the Board returned to open session at 5:31 p.m. The president announced that no action was taken in executive session.

**7. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION None**

**8. ADJOURNMENT**

Mr. Boyland moved to adjourn, Mr. Howard seconded and the meeting was adjourned at 5:32 PM.

APPROVED: \_\_\_\_\_

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Gregg Appel, President

ATTEST:

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Brenda G. Craig, City Secretary