



Economic Improvement Corporation
Regular Meeting Agenda
April 20, 2026 at 4:00 PM
City Hall, 701 Main Street, Kerrville, Texas



CALL TO ORDER:

1. **INVOCATION:**

2. **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 3 business days before the meeting. Visitors are asked to limit their presentation to three minutes.*

3. **APPROVAL OF MINUTES:**

- 3.A Minutes from the regular Economic Improvement Corporation (EIC) meeting held on March 16, 2026. (K Franchina, Deputy City Secretary)

4. **MONTHLY REPORTS:**

- 4.A Kerrville Economic Development Corporation (KEDC) update as to the KerrEDC Financial Review, Business Retention Expansion, operations and efforts to develop and attract economic development and attraction of projects. (T Bock, KEDC President)

- 4.B Kerrville Economic Development Boards Update including TIRZ #1 Exterior Enhancement grant, and prospective project list; Cultural Arts District Arts Respond grant award, and Cultural District Project grant application. (K Hagemeyer, Economic Development Manager)

- 4.C Kerrville Economic Improvement Corporation (EIC) project status update for the following projects: Lennar Windridge Subdivision, Olympic Pool Renovations, Cailloux Theater Improvements, Travis Street Pump Station Upsizing, A.C. Schreiner House/HHHC, Granger McDonald Park, Schreiner University CTWD and Edington Gym Upgrades. (M Hornes, Assistant City Manager)

- 4.D March 2026 Monthly Financial Report. (T Rodriguez, Assistant Director of Finance)

5. **INFORMATION AND DISCUSSION:** *These items are not expected to require action by the Economic Improvement Corporation and are generally for information only. However, all items listed in this section may become action items at the request of any member, and the Economic Improvement Corporation may take action on any item listed in this section without further notice.*

- 5.A Consider funding the "last mile" for the Louise Hayes Park rebuild. (M Hornes, Assistant City Manager)

6. **CONSIDERATION AND POSSIBLE ACTION:**

- 6.A Administrative Services Agreement with City of Kerrville - Economic Development Initiatives. (J Behrens, Director of Finance)

- 6.B Consider funding design engineering for the Quinlan Creek Sewer Line. (M Hornes, Assistant City Manager)
7. **EXECUTIVE SESSION:** *Economic Improvement Corporation (EIC) may, as permitted by law, adjourn into executive session at any time to discuss any matter listed above if they meet the qualifications in Sections 551.071 (consultation with attorney), 551.072 (deliberation regarding real property), 551.073 (deliberation regarding gifts), 551.074 (personnel/officers), 551.076 (deliberation regarding security devices), and 551.087 (deliberation regarding economic development negotiations) of Chapter 551 of the Texas Government Code.*
8. **ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF ANY.**
9. **ITEMS FOR FUTURE AGENDAS:** *The Economic Improvement Corporation may suggest items or topics for future agendas.*

ADJOURN

The facility is wheelchair accessible, and accessible parking spaces are available. Requests for accommodation or interpretive services must be made 48 hours prior to this event. Please contact the City Secretary's Office at 830-258-1118 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: 4/14/2026 at 1:30 p.m., and remained posted continuously for at least 3 business days preceding the scheduled time of the meeting.

Kesha Franchina, TRMC

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



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

CAPTION: Minutes from the regular Economic Improvement Corporation (EIC) meeting held on March 16, 2026. (K Franchina, Deputy City Secretary)

AGENDA DATE: April 20, 2026

DATE SUBMITTED: 09/10/2025

SUBMITTED BY:

EXHIBITS:

1. EIC Minutes 3-16-2026

Expenditure:
Account Number:
**Payment to/Vendor
name:**

Amount Budgeted:
Account Balance:

Kerrville 2050 Item?
No

Key Priority Area:

SUMMARY:

Minutes from the regular Economic Improvement Corporation (EIC) meeting held on March 16, 2026.

RECOMMENDED ACTION:

Approve minutes as presented.

**ECONOMIC IMPROVEMENT CORPORATION
REGULAR MEETING MINUTES**

**KERRVILLE, TEXAS
MARCH 16, 2026 4:00 P.M.**

On March 16, 2026 at 4:00 P.M., President Celeste Hamman called the Economic Improvement Corporation meeting to order in City Hall Council Chambers, 701 Main Street, Kerrville, Texas 78028. Ryan Pendergraft led the invocation.

**ECONOMIC IMPROVEMENT
CORPORATION MEMBERS PRESENT:**

Celeste Hamman, President
Gilberto Paiz, Vice-President
Kyle Bond, "GO Team"
Denny Foster
T. Beck Gipson
Kent McKinney, Councilmember Place 3
Ryan Pendergraft

EXECUTIVE STAFF PRESENT:

Michael Hornes, Assistant City Manager
Kim Meismer, Assistant City Manager
Kesha Franchina, Deputy City Secretary
Kelly Hagemeyer, Economic Development
Manager
Julie Behrens, Director of Finance
Trina Rodriguez, Assistant Director of
Finance

VISITORS PRESENT: There were no citizen speakers.

CALL TO ORDER:

President Celeste Hamman called the meeting to order at 4:00 p.m.

1. **INVOCATION:**

Ryan Pendergraft led the invocation.

2. **VISITORS/CITIZENS FORUM:**

There were no citizen speakers.

3. **APPROVAL OF MINUTES:**

3.A Minutes from the regular Economic Improvement Corporation (EIC) meeting held on February 23, 2026. (K Franchina, Deputy City Secretary)

Denny Foster made a motion to approve the minutes as presented, seconded by Beck Gipson. The motion passed 5-0.

4. **MONTHLY REPORTS:**

**ECONOMIC IMPROVEMENT
CORPORATION MEMBERS ABSENT:**

None

VISITORS PRESENT:

None

- 4.A Kerrville Economic Development Boards Update (Tax Increment Reinvestment Zone #1 and Cultural & Arts District) as to its Exterior Enhancement Grant Program and grants awarded for City projects. (K Hagemeyer, Economic Development Manager)

Kelly Hagemeyer presented the Economic Development Boards update and responded to questions.

- 4.B Kerrville Economic Improvement Corporation (EIC) project status update for the following projects: Olympic Pool Renovations, Cailloux Theater Improvements, Travis Street Pump Station Upsizing, A.C. Schreiner House/HHHC, Granger McDonald Park, Schreiner University CTWD and Edington Gym Upgrades, and James Avery Traffic Signal. (M Hornes, Assistant City Manager)

Kim Meisner presented the EIC project status update. She, and Jay Brimhall, responded to questions.

- 4.C February 2026 Monthly Financial Report. (T Rodriguez, Assistant Director of Finance)

Trina Rodriguez presented the monthly financial update and responded to questions.

5. **INFORMATION AND DISCUSSION:**

- 5.A Consider additional funding for the Administrative Services Contract with the City of Kerrville to include the funding for the Economic Development Manager. (M Hornes, Assistant City Manager)

Julie Behrens presented the funding request and responded to questions. Separate agreement with details and metrics, measures of success and review and approval from City Attorney in regards of city charter and EIC bylaws.

6. **CONSIDERATION AND POSSIBLE ACTION:**

- 6.A Contract with The Retail Coach for a retail market analysis. (K Hagemeyer, Economic Development Manager)

Kelly Hagemeyer presented a request for funding for the retail market analysis and responded to questions. She noted the request was being tabled.

7. **EXECUTIVE SESSION:**

There was no closed executive session.

8. **ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF ANY.**

None.

9. **ITEMS FOR FUTURE AGENDAS:**

Granger flood mitigation three tier clarification.

ADJOURN.

President Hamman adjourned the meeting at 5:10 p.m.

APPROVED BY EIC: _____

APPROVED:

ATTEST:

Celeste Hamman, EIC President

Kesha Franchina, Deputy City Secretary



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

CAPTION: Kerrville Economic Development Corporation (KEDC) update as to the KerrEDC Financial Review, Business Retention Expansion, operations and efforts to develop and attract economic development and attraction of projects. (T Bock, KEDC President)

AGENDA DATE: April 20, 2026

DATE SUBMITTED: 08/27/2025

SUBMITTED BY:

EXHIBITS:

None

Expenditure:
Account Number:
Payment to/Vendor name:

Amount Budgeted:
Account Balance:

Kerrville 2050 Item?
Yes

Key Priority Area:

SUMMARY:

Kerrville Economic Development Corporation (KEDC) update.

RECOMMENDED ACTION:

Information only; no action required.



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

CAPTION: Kerrville Economic Development Boards Update including TIRZ #1 Exterior Enhancement grant, and prospective project list; Cultural Arts District Arts Respond grant award, and Cultural District Project grant application. (K Hagemeyer, Economic Development Manager)

AGENDA DATE: April 20, 2026

DATE SUBMITTED: 02/05/2026

SUBMITTED BY:

EXHIBITS:

None

Expenditure:
Account Number:
Payment to/Vendor name:

Amount Budgeted:
Account Balance:

Kerrville 2050 Item?
Yes

Key Priority Area:

SUMMARY:
Staff to present.

RECOMMENDED ACTION:
Information only; no action required.



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

CAPTION: Kerrville Economic Improvement Corporation (EIC) project status update for the following projects: Lennar Windridge Subdivision, Olympic Pool Renovations, Cailloux Theater Improvements, Travis Street Pump Station Upsizing, A.C. Schreiner House/HHHC, Granger McDonald Park, Schreiner University CTWD and Edington Gym Upgrades. (M Hornes, Assistant City Manager)

AGENDA DATE: April 20, 2026

DATE SUBMITTED: 09/10/2025

SUBMITTED BY:

EXHIBITS:

1. 4-9-2026 EIC Project Update

Expenditure:

Amount Budgeted:

Account Number:

Account Balance:

Payment to/Vendor name:

Kerrville 2050 Item?

Key Priority Area:

Yes

SUMMARY:

Staff to present.

RECOMMENDED ACTION:

Information only; no action required.

Monthly EIC Project Status Report

	Project Name	Description	Estimated Design Completion	Estimated Construction Completion	Comments
1	Downtown Area Streetscape	Relocate overhead utility lines to underground; improved beautification of the garage with limestone influences, LED light upgrades and wrought iron railing.	N/A	Complete	KPUB portion is complete for underground utility work. Stop signs installed, masonry and wrought iron railing installed. Street lighting installed on Water Street. Decorative installed on Clay St. near Downtown Parking Garage March 2026.
2	Scott Schreiner Golf Course improvements	Improvements to the existing golf course	Complete	Complete	EIC and City Council approvals for funding complete. Design complete. Construction is complete.
3	Olympic Pool renovations	Renovations to the Olympic pool	Feb-2025	Summer 2026	EIC and City Council approvals for funding complete. Design complete. Construction commenced August 2025 with completion anticipated late Summer/Early Fall 2026.
4	Cailloux Theater Improvements	Repair of HVAC and roof systems	Complete	Fall 2025	EIC and City Council approvals for funding complete. Design complete and project awarded by City Council at October 22, 2024 meeting. Construction commenced March of 2025. Theater to close during construction with anticipated completion of August, 2025. Construction is substantially complete, theater open and contractor working off punch list items.
5	Travis Street Pump Station Upsizing	Increase distribution capacity of the Travis St pump station to meet TCEQ requirements for future developments.	TBD	TBD	Project approved by City Council March 26, 2024. Staff and engineer currently in communication with TCEQ regarding design requirements for the pump station upgrades. Construction commencement anticipated for 2026.
6	A.C Schreiner House/HHHC	Repurposing of house and grounds located at 529 Water Street on BHML Campus	Complete	Spring 2026	Construction is substantially complete with contractor working off punch list items.
7	Granger McDonald Park	Creation of a new city park along Nimitz Lake in the landing subdivision	Spring 2026	TBD	Currently in design phase with Hewitt Engineering. Project estimate of construction costs currently exceed budgeted amount, without a present solution for the cost overruns.
8	Habitat for Humanity	Infrastructure funding for the new Mariposa subdivision	Complete	Complete	Infrastructure construction completed August, 2025.
9	Schreiner University CTWD and Edington Gym Upgrades	New Center for Talent and Workforce Development and renovations to the Edington Gym	Complete	Fall 2026	Schreiner has hired a director for the CTWD and is currently renovating the Edington Gym Space
10	James Avery Traffic signal	TBD	TBD	Complete	Signal installed and James Avery is awaiting donation agreement from TxDOT.



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

CAPTION: March 2026 Monthly Financial Report. (T Rodriguez, Assistant Director of Finance)

AGENDA DATE: April 20, 2026

DATE SUBMITTED: 09/10/2025

SUBMITTED BY:

EXHIBITS:

1. March 2026 financial presentation

Expenditure:
Account Number:
Payment to/Vendor name:

Amount Budgeted:
Account Balance:

Kerrville 2050 Item?
No

Key Priority Area:

SUMMARY:

March 2026 Monthly Financial Report.

RECOMMENDED ACTION:

Information only; no action required.

Financial update for the month ended March 31, 2026

**Economic Improvement Corporation Meeting
April 20, 2026**



**Sales Tax Revenue Bond Series 2023
Statement of Activities
Month Ended March 31, 2026**

Cash Analysis as of March 31, 2026					
Type	Purchase	Maturity	Yield	Placement	Amount
Pool			3.79%	EIC TexPool - 2023 Revenue Bonds	\$ 9,421,994
Commercial Paper	3/26/2026	12/18/2026	4.07%	Credit Ag CP - 22533UMJ9	\$ 971,856
				2023 Revenue Bonds and Investments	\$ 10,393,850

Interest Revenue = \$36,490

Project Expenses = \$48,357

	Budget	FY2024 Total	FY2025 Total	Jan 2026	Feb 2026	Mar 2026	Total thru FY2026
Revenues:							
Bond Proceeds	20,000,000	20,000,000	-				20,000,000
Pool Interest Income	293,000	870,506	759,735	32,938	28,562	30,326	1,836,059
ST Investment Income	-	-	64,783	3,227	3,227	6,164	87,080
Projects:							
Scott Schreiner Golf Course Improvements	3,650,000	309,195	2,553,222	112,279	32,559	22,793	3,438,932
Olympic Pool Improvements	7,750,000	75,668	708,515	183,005	345,750	21,364	2,296,593
Cailloux Theater Roof & HVAC	3,250,000	25,407	2,766,362	-	347	4,200	2,875,071
Existing Parks Improvements	800,000	374,658	374,658	-	-	-	749,315
Granger McDonald Park Improvements	2,200,000	-	108,579	-	-	-	167,667
Heart of the Hills Heritage Center	2,000,000	-	1,000,000	-	-	-	2,000,000
Investments:	-	-	915,857	-	-	(29,370)	886,487
Arbitrage Payable:	-	302,084	258,274	-	-	-	560,359
Interest Receivable:	-	-	64,783	3,227	3,227	6,164	87,081
Net Cash Balance		19,783,494	(7,925,732)	(262,347)	(350,094)	11,339	8,861,635

Bond Proceeds less Project Expenses = 8,472,423

Interest Earnings less Arbitrage = 1,362,780

Economic Improvement Corporation

Statement of Activities

Month Ended March 31, 2026

	Annual Budget	Current Period	YTD Actual	YTD Budget Estimate	Better/Worse YTD Estimate
Revenues					
Sales and Use Tax	\$ 5,129,924	\$ 408,284	\$ 2,661,764	\$ 2,565,818	\$ 95,946
Interest Income	234,400	30,306	162,518	114,292	48,225
Investment Maturity	2,000,000	1,000,000	2,000,000	2,000,000	-
Miscellaneous	-	-	1,119	-	1,119
Total Revenues	7,364,324	1,438,590	4,825,401	4,680,111	145,290
Expenditures					
Administrative					
Supplies and Miscellaneous	5,150	-	1,860	1,860	-
Training	10,000	-	-	-	-
Legal Services	10,000	-	-	-	-
Professional Services	221,728	18,477	110,864	110,864	-
Kerr Economic Development Corp.	375,000	-	187,500	187,500	-
Total Administrative	621,878	18,477	300,224	300,224	-
Debt Service					
Debt Service - Series 2015 (KSC)	605,250	50,438	302,625	302,625	-
Debt Service - Series 2019 Ref (River Trail)	252,650	21,054	126,325	126,325	-
Debt Service - Series 2020 Ref (River Trail)	232,275	19,356	116,138	116,138	-
Debt Service - Series 2023 (Quality of Life)	1,469,800	122,483	734,900	734,900	-
Total Debt Service	2,559,975	213,331	1,279,988	1,279,988	-
Investment Purchase	2,000,000	970,778	1,942,953	1,942,953	-
Projects					
Travis Street Pump Station Upgrades	661,284	1,324	47,679	47,679	-
Schreiner University Talent & Workforce Dvlpmnt	102,804	-	-	-	-
Schreiner University Athletic Facilities	272,196	-	-	-	-
Lennar Windridge Development	2,000,000	-	-	-	-
James Avery Craftsman Traffic Signal*	140,000	-	-	-	-
Total Projects	3,176,284	1,324	47,679	47,679	-
Total Expenditures	8,358,137	1,203,910	3,570,844	3,570,844	-
Change in Net Position	\$ (993,813)	\$ 234,679	\$ 1,254,557		

Revenues:

Sales Tax - \$408,284

- **Up 11% from last March**

Interest Income - \$30,306

- **Better than estimate by \$48K**

- **\$1M Commercial Paper Maturity on 3/25/26 - Reinvested**

Expenses:

\$18K - COK contract payment

\$213K - monthly debt service

\$1M Investment Purchase

- **Commercial Paper - 9 month maturity, yield 4.05%**

Projects

- **\$1,324 Travis St Pump Station**



Economic Improvement Corporation

Cash Flow Forecast

As of March 31, 2026

	FY2025 Actual	FY2026 Projections	
	Oct 2025 to Mar 2026	Apr 2026 to Jun 2026	Jul 2026 to Sep 2026
Beginning Cash Balance	\$ 5,574,920	\$ 6,759,084	\$ 4,819,040
Revenue			
Sales Tax	2,661,764	1,253,934	1,310,172
Interest Income	162,518	75,000	75,000
Investment Maturity	2,000,000	-	1,000,000
Miscellaneous	1,119	-	-
Total Revenue	4,825,401	1,328,934	2,385,172
Expenditures			
Administrative			
Supplies and Miscellaneous	1,860	-	3,550
Legal Services	-	2,500	2,500
Training	-	2,500	2,500
Professional Services	110,864	65,432	70,432
Kerr Economic Development Corp.	187,500	93,750	93,750
Total Administrative	300,224	164,182	172,732
Debt Service	1,279,988	639,994	639,994
Investment Purchase	1,942,953	-	1,000,000
Projects			
Travis Street Pump Station Upgrades	47,679	306,803	306,803
Schreiner University Talent & Workforce Dvlpmnt	-	-	102,804
Schreiner University Athletic Facilities	-	-	272,196
Lennar Windridge Development	-	2,000,000	-
James Avery Craftsman Traffic Signal	-	140,000	-
Total Projects	47,679	2,446,803	681,803
Total Expenditures	3,570,844	3,250,978	2,494,528
Interest Receivable	70,393	18,000	18,000
Ending Cash Balance	\$ 6,759,084	\$ 4,819,040	\$ 4,691,684

January ending cash balance = \$6.7M

Lennar Windridge Infrastructure Payment - \$2M expected to go out in April



Financial Analysis

Sales Tax Revenue Analysis - FY2026					
Month	Actual FY2025	Actual FY2026	Budget Estimate FY2026	FY2025 vs. FY2026	Budget vs. Actual
October	\$ 380,948	\$ 423,117	\$ 436,539	11.07%	-3.07%
November	404,389	428,326	\$ 402,727	5.92%	6.36%
December	405,904	428,681	\$ 396,183	5.61%	8.20%
January	400,372	415,451	\$ 417,816	3.77%	-0.57%
February	602,302	557,905	\$ 533,198	-7.37%	4.63%
March	367,116	408,284	\$ 379,355	11.21%	7.63%
April	346,108	371,274	\$ 374,736	7.27%	-0.92%

Sales Tax – Rolling 12 month average = 5%

Cash Analysis as of March 31, 2026					
Type	Purchase	Maturity	Yield	Placement	Amount
Pool			3.79%	EIC TexPool - Cash	\$ 6,759,085
Agency/Security	4/18/2024	7/7/2026	3.89%	MUFG Bank CP - 62479MG72	\$ 989,574
Agency/Security	3/26/2026	12/18/2026	4.05%	MUFG Bank CP - 62479MMJ9	\$ 971,363
				Operating Cash and Investments	\$ 8,720,021

Texpool Yield = 3.79%

Project Analysis as of March 31, 2026			
Project Description	EIC Commitment	Disbursed Funding	Remaining Funding
Travis Street Pump Station Upgrades	750,000	136,395	613,605
Schreiner University Talent & Workforce Dvlpmnt	822,430	411,214	411,216
Schreiner University Athletic Facilities	2,177,570	1,360,982	816,588
Lennar Windridge Development	5,000,000	-	5,000,000
James Avery Craftsman Traffic Signal	140,000	-	140,000
Operational Project Commitments:	\$ 8,890,000	\$ 1,908,591	\$ 6,981,409



Economic Improvement Corporation 5-Year Cash Flow	FY2025 Actual	FY2026 Projection	FY2027 Projection	FY2028 Projection	FY2029 Projection	FY2030 Projection	FY2031 Projection
Beginning Cash Balance	\$ 4,120,698	\$ 5,574,920	\$ 4,581,106	\$ 5,433,171	\$ 5,266,242	\$ 5,359,873	\$ 4,531,877
Revenue							
Sales Tax	5,176,738	5,129,924	5,129,924	5,129,924	5,129,924	5,129,924	5,129,924
Interest Income	324,355	234,400	50,000	50,000	50,000	50,000	50,000
Total Revenue	5,501,093	5,364,324	5,179,924	5,179,924	5,179,924	5,179,924	5,179,924
Expenditures							
Administrative							
Supplies and Miscellaneous	4,485	5,150	5,150	5,150	5,150	5,150	5,150
Legal Services	-	10,000	10,000	10,000	10,000	10,000	10,000
Training	-	10,000	10,000	10,000	10,000	10,000	10,000
Professional Services	213,200	221,728	230,597	237,515	244,640	251,980	259,539
Kerr Economic Development Corp.	343,750	375,000	386,250	397,838	409,773	422,066	434,728
Total Administrative	561,435	621,878	641,997	660,503	679,563	699,196	719,417
Existing Debt Service	1,090,700	1,090,175	1,091,563	1,089,050	1,085,375	1,085,425	1,086,600
Revenue Bond Series 2023	1,468,750	1,469,800	1,469,300	1,472,300	1,468,550	1,473,300	1,471,000
Bond Issuance Costs	-	-	-	-	-	-	-
Total Debt Service	2,559,450	2,559,975	2,560,863	2,561,350	2,553,925	2,558,725	2,557,600
Projects							
Travis Street Pump Station Ugrades	88,716	661,284	-	-	-	-	-
Lennar Development	-	2,000,000	750,000	750,000	750,000	750,000	-
Habitat for Humanity	1,974,707	-	-	-	-	-	-
Schreiner University Talent & Workforce Dvlpmt	411,214	102,804	102,804	102,804	102,804	-	-
Schreiner University Athletic Facilities	1,360,982	272,196	272,196	272,196	-	-	-
James Avery Traffic Signal*	-	140,000	-	-	-	-	-
Potential Future Projects	-	-	-	1,000,000	1,000,000	2,000,000	2,000,000
Total Projects	3,835,619	3,176,284	1,125,000	2,125,000	1,852,804	2,750,000	2,000,000
Total Expenditures	6,956,504	6,358,137	4,327,860	5,346,853	5,086,292	6,007,921	5,277,017
Investment Activity	2,909,633	-	-	-	-	-	-
Operating Cash Balance	\$ 5,574,920	\$ 4,581,106	\$ 5,433,171	\$ 5,266,242	\$ 5,359,873	\$ 4,531,877	\$ 4,434,783
ST Investment Holdings	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Ending Cash & Investments Balance	7,574,920	6,581,106	7,433,171	7,266,242	7,359,873	6,531,877	6,434,783
Debt Service Coverage 1.75x	2,570,313	2,572,150	2,571,275	2,576,525	2,569,963	2,578,275	2,574,250
Available Cash	\$ 5,004,607	\$ 4,008,956	\$ 4,861,896	\$ 4,689,717	\$ 4,789,911	\$ 3,953,602	\$ 3,860,533

After projected Revenues, planned Expenses, Projects, Investment Values considered = Available Cash



Questions?





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

CAPTION: Consider funding the "last mile" for the Louise Hayes Park rebuild. (M Hornes, Assistant City Manager)

AGENDA DATE: April 20, 2026

DATE SUBMITTED: 04/14/2026

SUBMITTED BY:

EXHIBITS:

None

Expenditure:
Account Number:
**Payment to/Vendor
name:**

Amount Budgeted:
Account Balance:

Kerrville 2050 Item?
Yes

Key Priority Area:
P – Parks/Open Space/River Corridor

SUMMARY:

Staff to present.

RECOMMENDED ACTION:

Information only; no action required.



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

CAPTION: Administrative Services Agreement with City of Kerrville - Economic Development Initiatives. (J Behrens, Director of Finance)

AGENDA DATE: April 20, 2026

DATE SUBMITTED: 04/13/2026

SUBMITTED BY:

EXHIBITS:

1. EIC Administrative Services Agreement - Economic Development

Expenditure: \$25,000 FY2026
\$105K FY2027

Amount Budgeted: 0

Account Number: 40-4000-3100

Account Balance:

Payment to/Vendor name:

Kerrville 2050 Item?

Yes

Key Priority Area:

E – Economic Development, D – Downtown Revitalization

SUMMARY:

Staff is requesting consideration of funding support from EIC for continued economic development initiatives within the City of Kerrville. An initial funding request was presented in February 2025. However, EIC was not prepared to provide funding at that time due to a lack of information demonstrating how the initiatives aligned with EIC goals and priorities. In April 2025, the City incorporated these efforts into the General Fund through internal budget adjustments for the remainder of FY2025 and FY2026, allowing time to evaluate effectiveness and establish a framework for ongoing implementation.

These initiatives include focused efforts related to business attraction and retention, downtown development, marketing and outreach, incentive and grant coordination, and strategic planning to support sustainable economic growth within the City. Continued investment in these initiatives is intended to support small business success, downtown reinvestment, and long-term growth in local sales tax revenue.

This item was presented at the March EIC meeting for discussion and possible future EIC funding support for the remainder of FY2026 and FY2027. At the direction of the

Board, staff drafted an agreement with a term covering the remainder of FY2026 and three additional fiscal years to allow sufficient time to fully evaluate the deliverables and long-term impact of these initiatives.

If approved by EIC, the agreement will be subject to City Council approval.

RECOMMENDED ACTION:

Approve administrative services agreement.

**ADMINISTRATIVE SERVICES CONTRACT
BETWEEN CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT
CORPORATION AND CITY OF KERRVILLE, TEXAS**

THIS ADMINISTRATIVE SERVICES CONTRACT (“Contract”) is entered into as of the ____ day of _____, 2026 (“Effective Date”), by and between the City of Kerrville, Texas (the “City”), a municipal corporation, and the City of Kerrville, Texas Economic Improvement Corporation (“EIC”), a 4B economic development corporation, for and in consideration of the following promises and conditions:

**ARTICLE I
SERVICES PROVIDED BY CITY**

City shall provide the following services to EIC subject to the limitations and conditions set forth below:

- 1) **Professional Services Supporting Economic Development Initiatives:** City agrees to provide professional services supporting economic development initiatives that are authorized by the EIC to be funded in whole or in part by sales tax revenues generated pursuant to the authority of Chapters 501, 502, and 505 of the Texas Local Government Code, to include, but not limited to, the following:
 - a. Serve as a liaison between businesses, government entities, and community stakeholders;
 - b. Manage economic development incentives and grant programs for small businesses;
 - c. Assist with grants that support economic development initiatives;
 - d. Coordinate business retention and expansion programs;
 - e. Support business attraction efforts;
 - f. Assist with downtown development initiatives;
 - g. Conduct marketing and outreach related to economic development;
 - h. Promote projects funded by EIC; and
 - i. Develop and implement strategic economic development plans.

- 2) **Records:** The City shall retain all records related to its use of funds received from EIC pursuant to this Contract. Such records will be made available for EIC’s review and inspection upon EIC’s request.

- 3) **Staff Reports:** On an annual basis, the City Manager or designee shall prepare a report detailing the application of the funds paid to the City pursuant to this Contract and the performance measures the City was able to meet using the funds. The City shall present the report to the EIC in January detailing the use of funds during the preceding year.

ARTICLE II COMPENSATION

In consideration of the provision by City to EIC of the services described in Article I, above, EIC shall pay City **\$25,000** for the remainder of Fiscal Year 2026. EIC shall then pay **\$105,000** for Fiscal Year 2027. This amount shall automatically be increased each year by 4% for the term of this agreement. It is agreed by the parties that this compensation, to include the automatic increases, is equal to the reasonable value of the services anticipated to be provided by City to the EIC under this Contract. Payment of these amounts shall be paid in monthly payments, which City shall deduct upon receipt of said sales tax revenues from the Comptroller of Public Accounts for the State of Texas.

ARTICLE III TERM

The term of this Contract commences on the Effective Date of this Contract and ends on September 30, 2030, subject to earlier termination as provided herein and extension by agreement of the parties hereto.

ARTICLE IV TERMINATION

This Contract may be terminated by City or EIC for any reason, with or without cause, not earlier than ninety (90) days prior to delivery to the non-terminating party of a written notice of termination. EIC agrees to pay City the reasonable cost of services rendered by City up to the date of termination.

ARTICLE V GOVERNING LAW

This Contract is subject to, governed by, and construed in accordance with the laws of the State of Texas.

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

CITY OF KERRVILLE, TEXAS

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

Dalton Rice, City Manager

Celeste Hamman, President

ATTEST:

ATTEST:

Shelley McElhannon, City Secretary

Kesha Franchina, Secretary of EIC

APPROVED AS TO FORM:

APPROVED AS TO FUNDING:



William L. Tatsch, Interim City Attorney

Julie Behrens, Director of Finance



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

CAPTION: Consider funding design engineering for the Quinlan Creek Sewer Line. (M Hornes, Assistant City Manager)

AGENDA DATE: April 20, 2026

DATE SUBMITTED: 04/14/2026

SUBMITTED BY:

EXHIBITS:

None

**Expenditure:
Account Number:
Payment to/Vendor
name:**

**Amount Budgeted:
Account Balance:**

Kerrville 2050 Item?
Yes

Key Priority Area:
E – Economic Development

SUMMARY:

The City's existing Quinlan Interceptor is projected to experience capacity limitations under peak flow conditions with any additional development along the line. This constraint impacts system reliability and limits the City's ability to support significant private development in the Quinlan Creek service area.

The proposed project includes construction of a new 18-inch wastewater interceptor along the east side of Quinlan Creek. The new line will connect to the existing 12-inch line near Quinlan Creek Drive and the existing 18-inch line at 3rd Street, while tying into 6-inch and 8-inch lines where feasible. Once operational, the existing 10-inch line under Quinlan Creek will be abandoned or capped.

The project is identified in the City's Capital Improvement Plan. Updated 2026 cost projections estimate total project costs between \$5.7 million and \$6.0 million, inclusive of construction, grant administration, and contingency.

Funding Strategy

Staff proposes submitting an application to the U.S. Economic Development Administration requesting approximately 80 percent federal participation.

The required 20 percent local match (estimated at approximately \$1.2 million) will be fully funded by three private development groups that will directly benefit from the additional interceptor capacity. These commitments will be secured through binding

Participation Agreements requiring either:

- Escrowed cash contributions prior to construction award, or
- Irrevocable Letters of Credit issued by federally insured financial institutions located within 50 miles of Kerrville, callable upon default.

How EIC can assist:

The application will take between 6-8 months to go through its process for final consideration. This project will be needed, either now or in the future, and the design engineering for this is the first step. Coincidentally, it will take roughly the same time to design the project. If EIC would consider funding this portion, by the time the grant is awarded, we will be shovel ready. Construction will take between 18-24 months.

RECOMMENDED ACTION:

Consider funding the Design Engineering and staff will begin the process outlined for projects over \$10,000.