



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 72 hours 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 April 21, 2025. (K Franchina, Deputy City Secretary)

4. **MONTHLY REPORTS:**

- 4.A Kerr Economic Development Corporation (KEDC) update. (T Bock, KEDC)
- 4.B Kerrville Economic Improvement Corporation (EIC) project status update, including Downtown Area Streetscape, Scott Schreiner Golf Course improvements, Olympic Pool renovations, Cailloux Theater improvements, Travis Street Pump Station upsizing, A.C. Schreiner House/HHHC, Granger MacDonald Park, Megaacrete, Habitat for Humanity Mariposa, Schreiner University CTWD and Edington Gym, and James Avery Traffic Signal. (M Hornes, Assistant City Manager)
- 4.C Monthly Financial Report. (T Rodriguez, Assistant Finance Director)

5. **CONSIDERATION AND POSSIBLE ACTION:**

- 5.A Budget Requests (M Hornes, Assistant City Manager)
- 5.B Authorization to amend the project funding agreement between the Economic Improvement Corporation (EIC) and the City for improvements to the City's Olympic Pool. (M Hornes, Assistant City Manager/R Ledesma, Interim Director of Parks and Recreation)

6. **EXECUTIVE SESSION:** *Economic Improvement Corporation 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.*

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

8. **ITEMS 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: 5/15/2025 at 5:00 p.m., and remained posted continuously for at least 72 hours 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 April 21, 2025. (K Franchina, Deputy City Secretary)

AGENDA DATE: May 19, 2025

DATE SUBMITTED: 09/17/2024

SUBMITTED BY:

EXHIBITS:

1. EIC Minutes 4-21-2025

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 April 21, 2025.

RECOMMENDED ACTION:

Approve minutes as presented.

**ECONOMIC IMPROVEMENT
CORPORATION MINUTES
MEETING**

**KERRVILLE, TEXAS
APRIL 21, 2025, 4:00 PM**

On April 21, 2025 at 4:00 PM, President Clarkson called the Economic Improvement Corporation meeting to order in City Hall Council Chambers, 701 Main Street, Kerrville, Texas 78028. Gregg Appel led the invocation.

**ECONOMIC IMPROVEMENT
CORPORATION MEMBERS PRESENT:**

Kim Clarkson, President
Celeste Hamman, Vice-President
Gregg Appel, KEDC
Kyle Bond, "GO Team"
T.Beck Gipson
Jeff Harris, Councilmember
Gilberto Paiz

**ECONOMIC IMPROVEMENT
CORPORATION MEMBERS ABSENT:**

None.

EXECUTIVE STAFF PRESENT:

Dalton Rice, City Manager
Mike Hayes, City Attorney
Michael Hornes, Assistant City Manager
Kesha Franchina, Deputy City Secretary
Kelly Hagemeyer, Executive Office Coordinator
Rosa Ledesma, Assistant Director of Parks and Recreation
Trina Rodriguez, Assistant Director of Finance

VISITORS PRESENT:

Mary Campana

CALL TO ORDER:

President Kim Clarkson called the meeting to order at 4:00 pm.

1. **INVOCATION:** Gregg Appel led the invocation.
2. **VISITORS/CITIZENS FORUM:** None.
3. **APPROVAL OF MINUTES:**

3.A Minutes from the regular Economic Improvement Corporation (EIC) meeting held on March 17, 2025.

Celeste Hamman motioned to approve the minutes as presented, seconded by Kyle Bond. The motion passed 6-0.

4. **MONTHLY REPORTS:**

4.A Kerrville Economic Improvement Corporation (EIC) project status update, including Downtown Area Streetscape, Scott Schreiner Golf Course

improvements, Olympic Pool renovations, Cailloux Theater improvements, Schreiner Edington Gym and CTWD, Granger MacDonald Park, A.C. Schreiner House, Megaacrete, Habitat for Humanity Mariposa and Travis Street Pump Station upsizing.

Michael Hornes presented the update. He, and Rosa Ledesma, responded to questions.

Gil Paiz entered the meeting at 4:04 pm.

4.B Monthly activities report from Kerr Economic Development Corporation

Dalton Rice presented the activities report and responded to questions.

4.C March 2025 Financial Report.

Trina Rodriguez presented the financial report and responded to questions.

5. **CONSIDERATION AND POSSIBLE ACTION:**

5.A Amendment(s) to Economic Development Grant Agreement between Habitat for Humanity-Kerr County and the EIC for Installation of Public Infrastructure for the Development of the Mariposa Residential Neighborhood.

Michael Hornes presented the amendment request. Michael Hornes responded to questions. Mike Hayes responded to comments.

Citizen speakers were as follows:

- George Baroody

KB motioned to approve the amendment, seconded by Gregg Appel. The motion passed 7-0.

6. **EXECUTIVE SESSION:** None.

7. **ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF ANY.** None.

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

ADJOURN. President Clarkson adjourned the meeting at 5:07 pm.

APPROVED BY THE ECONOMIC IMPROVEMENT CORPORATION: _____

APPROVED:

ATTEST:

Kim Clarkson, President

Kesha Franchina, Deputy City Secretary



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

CAPTION: Kerr Economic Development Corporation (KEDC) update. (T Bock, KEDC)

AGENDA DATE: May 19, 2025

DATE SUBMITTED: 05/01/2025

SUBMITTED BY:

EXHIBITS:

1. 20250519_KerrEDC-EIC Update May 2025

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

Amount Budgeted:
Account Balance:

Kerrville 2050 Item?

Key Priority Area:

SUMMARY:

RECOMMENDED ACTION:

KerrEDC Economic Development Update, May 2025



This update covers Ongoing and Current activities in:

1. Business retention and expansion
2. Recruitment
3. Workforce Development
4. Organizational Management

Our focus is on supporting local growth and strategic initiatives.

Completed

Organizational Management

- The City of Kerrville has taken over KEDC bookkeeping services.
- KerrEDC submitted the State of Childcare Summit for an IEDC Award on May 2nd.
- Consultant conducted a physical inventory of real estate assets in Kerrville (April 7–11) and provided recommendations for implementing a property database management system.
- Office Clean up

Ongoing Activity

Business Retention Expansion

- Continued support for a Kerr County company seeking local utility services to support expansion efforts.

Workforce Development Initiatives

- Continued engagement between Workforce Solutions Alamo, KerrEDC and City to review and discuss programs, including child care services to address workforce needs.

Recruitment

- Discussions are underway with multiple hotel operators. KerrEDC has been in a support role on these projects offering information on available sites.

Organizational Management

- DF CPA Firm has initiated an audit of KEDC.
- KerrEDC is continuing to work on updating our website. About 90% complete.
- CRM and project management software is still being evaluated to enhance internal operations and stakeholder engagement tracking.
- Continuing work with the City to finalize Marketing materials and processes for BRE efforts.

Current

Business Retention Expansion

- Continued support for a Kerr County company seeking local utility services to support expansion efforts.

Workforce Development Initiatives

- Collaboration with the City and Schreiner University to develop an industry analysis for Kerr, with follow-up scheduled later this month.

Recruitment

- Collegiate minor league baseball team, to explore new opportunities for Kerrville.

Organizational Management

- The strategic plan update and discussions on organizational roles with the City of Kerrville demonstrate a commitment to refining KEDC's operational focus.
- The outcome of the Greater SATX initiative is pending, as we await Executive Board approval or acceptance.



Thank You



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

CAPTION: Kerrville Economic Improvement Corporation (EIC) project status update, including Downtown Area Streetscape, Scott Schreiner Golf Course improvements, Olympic Pool renovations, Cailloux Theater improvements, Travis Street Pump Station upsizing, A.C. Schreiner House/HHHC, Granger MacDonald Park, Megaacrete, Habitat for Humanity Mariposa, Schreiner University CTWD and Edington Gym, and James Avery Traffic Signal. (M Hornes, Assistant City Manager)

AGENDA DATE: May 19, 2025

DATE SUBMITTED: 05/01/2025

SUBMITTED BY:

EXHIBITS:

1. 5-13-2025 EIC projects update

Expenditure:
Account Number:
Payment to/Vendor name:

Amount Budgeted:
Account Balance:

Kerrville 2050 Item?

Key Priority Area:

SUMMARY:

RECOMMENDED ACTION:

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	Summer 2025	KPUB portion is complete for underground utility work. Stop signs installed, masonry and wrought iron railing installed. Street lighting installed on Water Street. Decorative lighting to be installed on Clay St. near Downtown Parking Garage.
2	Scott Schreiner Golf Course improvements	Improvements to the existing golf course	Complete	Summer 2025	EIC and City Council approvals for funding complete. Design complete. Construction in progress, with construction completion anticipated for Summer 2025
3	Olympic Pool renovations	Renovations to the Olympic pool	Feb-2025	Spring 2026	EIC and City Council approvals for funding complete. Design anticipated to complete March 2025 with construction completion anticipated Spring 2026. Council rejected initial bids received. Currently advertising for re-bid with proposals due on 5/28/2025.
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.
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 completion anticipated for 2026.
6	A.C Schreiner House/HHHC	Repurposing of house and grounds located at 529 Water Street on BHML Campus	Complete	Fall 2025	Design complete. Contract amendment for GMP approved by City Council. Construction commenced October, 2024 with Estimated construction completion in October 2025.
7	Granger McDonald Park	Creation of a new city park along Nimitz Lake in the landing subdivision	Early 2025	TBD	Currently in design phase with Hewitt Engineering. The City of Kerrville submitted a grant application with Texas Parks and Wildlife. Construction schedule will follow based on the outcome of the grant application. GRC has contracted with a grant writer to assist in the City's submission.
8	Megacrete	New autoclave aerated concrete plant	TBD	TBD	Megacrete permit application with TCEQ currently under review.
9	Habitat for Humanity	Infrastructure funding for the new Mariposa subdivision	Complete	TBD	Infrastructure construction in progress with completion anticipated in April, 2025.
10	Schreiner University CTWD and Edington Gym Upgrades	New Center for Talent and Workforce Development and renovations to the Edington Gym	Complete	Fall 2025	Schreiner has hired a director for the CTWD and is currently renovating the Edington Gym Space
11	James Avery Traffic signal	TBD	TBD	TBD	TBD



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

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

AGENDA DATE: May 19, 2025

DATE SUBMITTED: 05/13/2025

SUBMITTED BY:

EXHIBITS:

1. April 2025 financial presentation

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

Amount Budgeted:
Account Balance:

Kerrville 2050 Item?

Key Priority Area:

SUMMARY:

RECOMMENDED ACTION:

Financial update for the month ended April 30, 2025

**Economic Improvement Corporation Meeting
May 19, 2025**



Sales Tax Revenue Bond Series 2023

Statement of Activities

Month Ended April 30, 2025

Cash Analysis as of April 30, 2025					
Type	Purchase	Maturity	Yield	Placement	Amount
Pool			4.45%	EIC TexPool - 2023 Revenue Bonds	\$ 15,708,603
Com. Paper	10/31/2024	7/25/2025	4.51%	MUFG Bank CP - 62479LUR4	\$ 1,979,145
				2023 Revenue Bonds and Investments	\$ 17,687,748

	Budget	FY2024 Total	Feb 2025	Mar 2025	Apr 2025	Total thru Apr 2025
Revenues:						
Bond Proceeds	20,000,000	20,000,000	-	-	-	20,000,000
Pool Interest Income	750,772	870,506	61,560	66,605	62,698	1,358,711
ST Investment Income	-	-	7,129	7,129	7,129	43,285
Projects:						
Scott Schreiner Golf Course Improvements	4,000,000	309,195	200,226	361,278	669,436	1,817,060
Olympic Pool Improvements	7,000,000	75,668	122,613	1,978	153,977	619,033
Cailloux Theater Roof & HVAC	4,000,000	25,407	2,013	1,383	451,549	480,351
Existing Parks Improvements	800,000	374,658	-	171,513	203,145	749,315
Granger McDonald Park Improvements	2,200,000	-	22,847	26,174	-	49,021
Heart of the Hills Heritage Center	2,000,000	-	-	-	-	-
Investments:	-	-				1,935,327
Arbitrage Payable:	-	302,084	-			302,084
Interest Receivable:	-	-	7,129	7,129	7,129	43,285
Net Cash Balance		19,783,494	(286,139)	(495,721)	(1,415,408)	15,406,519

Bond Proceeds less Project Expenses = 16,285,219

Interest Earnings less Arbitrage = 1,099,912



Economic Improvement Corporation

Statement of Activities

Month Ended April 30, 2025

	Annual Budget	Current Period	YTD Actual	YTD Budget Estimate	Better/Worse YTD Estimate
Revenues					
Sales and Use Tax	\$ 5,104,402	\$ 346,108	\$ 2,907,138	\$ 2,913,472	\$ (6,334)
Interest Income	153,247	33,531	189,442	91,182	98,260
Investment Maturity	4,000,000	2,000,000	3,000,000	3,000,000	-
Total Revenues	9,257,649	2,379,639	6,096,580	6,004,654	91,926
Expenditures					
Administrative					
Supplies and Miscellaneous	650	-	985	985	-
Training	10,000	-	-	-	-
Legal Services	10,000	-	-	-	-
Professional Services	213,200	17,767	124,367	124,367	-
Kerr Economic Development Corp.	343,750	85,938	257,813	257,813	-
Total Administrative	577,600	103,704	383,164	383,164	-
Debt Service					
Debt Service - Series 2015 (KSC)	603,100	50,258	351,808	351,808	-
Debt Service - Series 2019 Ref (River Trail)	257,100	21,425	149,975	149,975	-
Debt Service - Series 2020 Ref (River Trail)	230,500	19,208	134,458	134,458	-
Debt Service - Series 2023 (Quality of Life)	1,468,750	122,396	856,771	856,771	-
Total Debt Service	2,559,450	213,287	1,493,012	1,493,012	-
Investment Purchase	2,000,000	-	1,935,327	1,935,327	-
Projects					
Downtown Utilities/Streetscape	69,937	-	-	-	-
Travis Street Pump Station Upgrades	600,000	7,336	23,370	23,370	-
Schreiner University Talent & Workforce Dvlpmnt	411,214	-	-	-	-
Schreiner University Athletic Facilities	1,088,786	-	1,088,786	1,088,786	-
Lennar Windridge Development*	2,000,000	-	-	-	-
Habitat for Humanity Mariposa Infrastructure*	1,130,000	141,191	1,269,884	878,889	390,995
Total Projects	5,299,937	148,527	2,382,040	1,991,045	390,995
Total Expenditures	10,436,987	465,519	6,193,544	5,802,548	390,995
Change in Net Position	\$ (1,179,338)	\$ 1,914,120	\$ (96,963)		



Economic Improvement Corporation

Cash Flow Forecast

As of April 30, 2025

	FY2024 Actual	FY2025 Projections	
	Oct 2024 to Apr 2025	May 2025 to Jun 2025	Jul 2025 to Sep 2025
Beginning Cash Balance	\$ 4,120,698	\$ 5,934,614	\$ 5,333,397
Revenue			
Sales Tax	2,907,138	876,138	1,314,792
Interest Income	189,442	90,000	90,000
Investment Maturity	3,000,000	-	3,000,000
Total Revenue	6,096,580	966,138	4,404,792
Expenditures			
Administrative			
Supplies and Miscellaneous	985	163	163
Legal Services	-	2,500	2,500
Training	-	2,500	2,500
Professional Services	124,367	35,533	53,300
Kerr Economic Development Corp.	257,813	-	85,938
Total Administrative	383,164	40,696	144,400
Debt Service	1,493,012	426,575	639,862
Investment Purchase	-	-	1,000,000
Projects			
Downtown Utilities/Streetscape	-	-	-
Travis Street Pump Station Upgrades	23,370	288,315	288,315
Schreiner University Talent & Workforce Dvlpmnt	-	205,607	205,607
Schreiner University Athletic Facilities	1,088,786	-	-
Lennar Windridge Development	-	-	2,000,000
Habitat for Humanity Mariposa Infrastructure	1,269,884	531,163	173,660
Total Projects	2,382,040	1,025,085	2,667,582
Total Expenditures	4,258,217	1,492,355	4,451,845
Interest Receivable	24,447	75,000	75,000
Ending Cash Balance	\$ 5,934,614	\$ 5,333,397	\$ 5,211,344



Financial Analysis

Sales Tax Revenue Analysis - FY2025					
Month	Actual FY2024	Actual FY2025	Budget Estimate FY2025	FY2024 vs. FY2025	Budget vs. Actual
October	\$ 465,726	\$ 380,948	\$ 437,120	-18.20%	-12.85%
November	375,745	404,389	\$ 414,771	7.62%	-2.50%
December	389,096	405,904	\$ 377,338	4.32%	7.57%
January	398,538	400,372	\$ 431,653	0.46%	-7.25%
February	485,443	601,268	\$ 498,702	23.86%	20.57%
March	370,297	367,116	\$ 384,830	-0.86%	-4.60%
April	395,960	346,108	\$ 369,058	-12.59%	-6.22%
May	435,436	424,902	\$ 460,039	-2.42%	-7.64%

Cash Analysis as of April 30, 2025					
Type	Purchase	Maturity	Yield	Placement	Amount
Pool			4.45%	EIC TexPool - Cash	\$ 5,934,614
Agency/Security	4/18/2024	10/15/2025	5.06%	US Treasury Note - 91282CFP1	\$ 1,000,527
Agency/Security	7/25/2024	7/25/2025	4.88%	FHLB Note - 3130B23U7	\$ 1,001,252
Operating Cash and Investments					\$ 7,936,394

Project Analysis as of April 30, 2025			
Project Description	EIC Commitment	Disbursed Funding	Remaining Funding
Downtown Utilities/Streetscape	400,000	330,063	69,937
Travis Street Pump Station Upgrades	750,000	23,370	726,630
Schreiner University Talent & Workforce Dvlpmnt	822,430	-	822,430
Schreiner University Athletic Facilities	2,177,570	1,088,786	1,088,784
Habitat for Humanity Mariposa Infrastructure	2,260,000	1,555,177	704,823
Lennar Windridge Development	5,000,000	-	5,000,000
Operational Project Commitments:	\$ 11,410,000	\$ 2,997,396	\$ 8,412,604



Questions?





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

CAPTION: Authorization to amend the project funding agreement between the Economic Improvement Corporation (EIC) and the City for improvements to the City's Olympic Pool. (M Hornes, Assistant City Manager/R Ledesma, Interim Director of Parks and Recreation)

AGENDA DATE: May 19, 2025

DATE SUBMITTED: 05/14/2025

SUBMITTED BY:

EXHIBITS:

1. 20250519_EIC Project Funding Agreement_Pool_1st Amendment_051525

Expenditure: \$7,750,000

Amount Budgeted: \$7,000,000

Account Number: 70-24006

Account Balance:

Payment to/Vendor name:

Kerrville 2050 Item?

Yes

Key Priority Area:

P – Parks/Open Space/River Corridor

SUMMARY:

Staff recommends that the EIC Board authorize an amendment to the existing funding agreement for the Olympic Pool improvement project, increasing the total funding amount to \$7.75 million. This amendment is necessary due to higher-than-anticipated construction bids received during the initial bidding process. The proposed funding increase will be covered by reallocating savings from other EIC-funded capital improvement projects, specifically the Cailloux Theater and Scott Schreiner Golf Course improvement projects.

The project was previously advertised for bids, and only two contractors submitted proposals, significantly exceeding the approved project budget. The City and Marmon Mok initiated a value engineering (VE) process with the lowest bidder to reduce costs while maintaining essential project components. Despite collaborative efforts, the VE process did not yield sufficient cost reductions. As a result, all bids were formally rejected at the City Council meeting on May 13, 2025.

The project has been reissued under a competitive sealed proposal process. This process allows the City to evaluate pricing, qualifications, project approach, and

proposed schedule, providing greater flexibility in selecting the best-value contractor..
Proposals are due on May 28, 2025.

Although VE options have been incorporated into the reissued solicitation, staff anticipate that the project may come in slightly over budget due to current market conditions. While final pricing will be confirmed after proposals are received, this funding amendment is being proposed to prepare for a potential cost overage. By doing so, the City and EIC can avoid the need for a second contract amendment and prevent delays to the project timeline.

RECOMMENDED ACTION:

Approve amendment to funding agreement.

**FIRST AMENDMENT TO PROJECT FUNDING AGREEMENT
BETWEEN THE CITY OF KERRVILLE, TEXAS, ECONOMIC
IMPROVEMENT CORPORATION AND THE CITY OF
KERRVILLE, TEXAS FOR IMPROVEMENTS MADE TO THE
CITY'S OLYMPIC POOL**

THIS FIRST AMENDMENT TO PROJECT FUNDING AGREEMENT is entered into this ____ day of _____, 2025, by and between the City of Kerrville, Texas, Economic Improvement Corporation ("EIC"), a Texas non-profit corporation under 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); and the City of Kerrville, Texas ("City"), a Texas home-rule municipality.

WITNESSETH:

WHEREAS, on March 26, 2024, the EIC and City entered into an agreement titled *Project Funding Agreement between the City of Kerrville, Texas, Economic Improvement Corporation and the City of Kerrville, Texas for Improvements Made to the City's Olympic Pool* (hereafter "the Funding Agreement") in which the EIC agreed to provide to City an amount up to and not to exceed \$7,000,000.00 in EIC's sales tax revenues to be used to pay for costs to design, renovate, and reconstruct the City's Olympic Pool, as more specifically defined in the Funding Agreement; and

WHEREAS, based upon increased costs, the City has asked to amend the Funding Agreement to increase the amount of EIC's funding from \$7,000,000.00 to \$7,750,000.00;

NOW THEREFORE, for and in consideration of the recitals set forth above and the promises made herein, EIC and City agree as follows:

1. Section 2 of the Funding Agreement is amended to add the language that is underlined (**added**) and to delete the language that is stricken (**deleted**) as follows:

"2. Agreement to Fund Project: EIC agrees to provide City an amount up to and not to exceed \$7,750,000.00 ~~\$7,000,000.00~~ in 4B Revenues for the Project."

2. Except as amended by this First Amendment, the provisions of the Funding Agreement remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment in the year and as of the last date for signature as indicated below.

CITY OF KERRVILLE, TEXAS

CITY OF KERRVILLE, TEXAS ECONOMIC
IMPROVEMENT CORPORATION

Joe Herring, Jr., Mayor

_____, President

Date: _____

Date: _____

ATTEST:

ATTEST:

Shelley McElhannon, City Secretary

Kesha Franchina, Secretary for the EIC

APPROVED AS TO FORM:

Michael C. Hayes, Attorney for the EIC