



City of Round Rock

Transportation and Economic Development Corporation (Type B) Meeting Agenda - Final

President Alan McGraw
Vice President Cam Scott
Secretary Jon Sloan
Boardmember Writ Baese
Boardmember James Kratz
Boardmember Will Peckham
Boardmember Mike Robinson

Thursday, August 25, 2016

6:00 PM

City Council Chambers, 221 East Main St.

A. CALL TO ORDER

B. ROLL CALL

C. CITIZEN COMMUNICATION:

Any citizen wishing to speak during citizen communication regarding an item on or off the agenda may do so after completing the required registration card. All comments must be no more than 3 minutes in length. Any comments regarding items not on the posted agenda may not be discussed or responded to by the Round Rock Transportation and Economic Development Corporation. The Chairman may deny any presenter the opportunity to address the Round Rock Transportation and Economic Development Corporation if the presentation or comments offered is substantially repetitive of those previous made, per §2-26(b)(d), of the Round Rock Code of Ordinances, 2010 Edition.

D. APPROVAL OF MINUTES:

- D.1 [2016-3737](#) [Consider approval of the minutes for the June 9, 2016 Round Rock Transportation and Economic Development Corporation board meeting.](#)

E. PUBLIC HEARINGS:

- E.1 [2016-3733](#) [Consider public testimony regarding the proposed FY 2016-2017 Operating Budget and Economic Incentive Payments \(EIP\) for the Round Rock Transportation and Economic Development Corporation.](#)

F. PRESENTATIONS:

- F.1 [2016-3738](#) [Consider a presentation regarding a Transportation Department and TCIP update.](#)

G. RESOLUTIONS:

- G.1 [2016-3735](#) [Consider a resolution approving the FY 2016-2017 Operating Budget for the Round Rock Transportation and Economic Development Corporation.](#)
- G.2 [2016-3736](#) [Consider a resolution approving the FY 2016-2017 Economic Incentive Payments \(EIP\) for the Round Rock Transportation and Economic Development Corporation.](#)

H. ADJOURNMENT

In addition to any executive session already listed above, the Round Rock Transportation and Economic Development Corporation for the City of Round Rock reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code for the following purposes:

*§551.071 Consultation with Attorney
§551.072 Deliberations regarding Real Property
§551.073 Deliberations regarding Gifts and Donations
§551.074 Personnel Matters
§551.076 Deliberations regarding Security Devices
§551.087 Deliberations regarding Economic Development Negotiations*

POSTING CERTIFICATION

I certify that this notice of the Transportation and Economic Development Corporation was posted on this 19th day of August 2016 at 5:00 p.m. as required by law in accordance with Section 551.043 of the Texas Government Code.

*/ORIGINAL SIGNED/
Meagan Spinks, Deputy City Clerk*



City of Round Rock

Agenda Item Summary

Agenda Number: D.1

Title: Consider approval of the minutes for the June 9, 2016 Round Rock Transportation and Economic Development Corporation board meeting.

Type: Minutes

Governing Body: Transportation and Economic Development Corporation (Type B)

Agenda Date: 8/25/2016

Dept Director: Sara White, City Clerk

Cost:

Indexes:

Attachments: 060916 Draft Minutes

Department: City Clerk's Office

Text of Legislative File 2016-3737



City of Round Rock

Meeting Minutes - Draft Transportation and Economic Development Corporation (Type B)

Thursday, June 9, 2016

CALL TO ORDER

President McGraw called the meeting to order at 5:39 p.m.

ROLL CALL

Present	4 - President Alan McGraw Boardmember Mike Robinson Vice President Cam Scott Secretary Jon Sloan
Absent	3 - Boardmember James Kratz Boardmember Will Peckham Boardmember Writ Baese

EXECUTIVE SESSION:

- C.1** [2016-3553](#) Consider Executive Session as authorized by §551.087, Government Code, to deliberate the offer of a financial or other incentive to business prospects considering Round Rock as a location for new businesses that would bring economic development to the City.

The Type B Board recessed to Executive Session. President McGraw called the session to order at 5:40 p.m. and adjourned it at 6:40 p.m.

CITIZEN COMMUNICATION:

There were no citizens wishing to speak at this meeting of the Type B Board.

APPROVAL OF MINUTES:

- E.1** [2016-3552](#) Consider approval of the minutes for the February 11, 2016 meeting.

A motion was made by Boardmember Robinson, seconded by Secretary Sloan, that the Minutes be approved. The motion carried by the following vote:

Aye: 4 - President McGraw
Boardmember Robinson
Vice President Scott
Secretary Sloan

Nay: 0

Absent: 3 - Boardmember Kratz
Boardmember Peckham
Boardmember Baese

PRESENTATIONS:

F.1 [2016-3550](#) Consider a presentation regarding the Type B Fund financial status.

This item was pulled from the agenda.

F.2 [2016-3549](#) Consider a presentation regarding the Transportation Capital
Improvements Program (TCIP) quarterly update.

Gary Hudder, Transportation Director made the staff presentation.

PUBLIC HEARINGS:

G.1 [2016-3555](#) Consider public testimony regarding proposed amendments to the
Transportation Capital Improvement Program (TCIP).

The presentation for this item was made with item F.2

*President McGraw opened the hearing for public testimony. There being none, the
public hearing was closed.*

RESOLUTIONS:

H.1 [2016-3548](#) Consider a resolution amending the Transportation Capital
Improvement Program (TCIP).

**A motion was made by Boardmember Robinson, seconded by Secretary Sloan,
that this Resolution be approved. The motion carried by the following vote:**

Aye: 4 - President McGraw
Boardmember Robinson
Vice President Scott
Secretary Sloan

Nay: 0

Absent: 3 - Boardmember Kratz
Boardmember Peckham
Boardmember Baese

ADJOURNMENT

There being no further business the meeting adjourned at 6:51 p.m.

Respectfully Submitted,

Sara L. White, City Clerk



City of Round Rock

Agenda Item Summary

Agenda Number: E.1

Title: Consider public testimony regarding the proposed FY 2016-2017 Operating Budget and Economic Incentive Payments (EIP) for the Round Rock Transportation and Economic Development Corporation.

Type: Public Hearing

Governing Body: Transportation and Economic Development Corporation (Type B)

Agenda Date: 8/25/2016

Dept Director: Susan Morgan, CFO

Cost:

Indexes:

Attachments: Type B Budget, Type B Economic Incentive Payments

Department: Finance Department

Text of Legislative File 2016-3733

The Round Rock Transportation and Economic Development Corporation budget is funded from a 1/2% sales tax established for the purposes of providing transportation improvements and economic development activities. Per the City's Financial Policies, revenues are allocated 90% to transportation needs and 10% to economic development purposes.

The FY2016-2017 Operating Budget will provide funding for debt service and administrative, financial, legal and engineering services, economic development activities and transportation improvements of the Round Rock Transportation and Economic Development Corporation.

The 10% allocated to Economic Development purposes includes economic incentive payments, the annual contract with the Chamber of Commerce, and downtown improvements and marketing. The businesses that currently receive Economic Incentive Payments from the Type B fund are included in this item. The balance of the 10% allocation is available for incentives and other related needs as they are identified. The fund also includes \$5.8 million in fund reserves from prior years' unused economic development allocations.

The Round Rock City Council has already approved each of the Economic Development Program Agreements for which economic incentive payments are committed. Total Current EIP commitments are as follows:

Company	Total Committed
Insys Therapeutics	\$ 30,000
Houghton Mifflin Harcourt Publishing	350,000
Odyssey Technical Solutions, LLC	110,000
ProPortion Foods, LLC	400,000
Airco Mechanical	190,000
UPS	500,000
Total Committed	\$1,580,000

Public Hearing Only

City of Round Rock Type B Funds

5 Year Estimated Available

As of: 08/11/16

	Actual FY2015	Projected FY2016	PROPOSED FY2017	FY2018	FY2019	FY2020	FY2021
Beginning Fund Balance	30,596,530	34,067,222	34,301,302	19,933,650	11,105,927	11,809,541	11,909,541
Revenue							
Sales Tax and Estimated Sales Tax	16,905,212	16,633,333	16,433,333	16,467,000	16,547,610	16,671,978	16,837,284
Interest	141,395	170,439	100,000	100,000	100,000	100,000	100,000
RM620 Improvement Project-Williamson Co. Participation		1,000,000	2,000,000				
Grant Proceeds	500,000	500,000					
Donations/contributions	123,765		653,084	615,584	37,500		
Williamson Co. Participation-Kenney Ft. Blvd. 2-3				1,500,000			
Williamson Co. Participation-University Blvd.		1,000,000	1,500,000				
Williamson Co. Participation-Roundville Ln.				1,500,000			
Other	289,977						
Total Revenue	17,960,349	19,303,772	20,686,417	20,182,584	16,685,110	16,771,978	16,937,284
Transportation Expenditures							
TCIP Projects (including TCIP amendment #37)	6,647,731	11,087,934	28,281,536	22,206,906	4,142,402	500,000	500,000
Projects to be determined					5,000,000	9,302,670	9,438,262
Other Items: Commons, Street Sweeping,							
Paving Contract & Traffic Signals	48,411	998,550	800,000	816,000	832,320	848,966	865,946
Debt Service (after refunding)	6,643,660	5,019,875	4,020,199	4,022,431	4,024,195	4,015,491	4,009,348
Due to General Fund	300,000	300,000	309,000	318,270	327,818	337,653	340,000
Total Transportation	13,639,802	17,406,359	33,410,735	27,363,607	14,326,735	15,004,780	15,153,556
Economic Dev. Expenditures							
Chamber Agreement	525,000	535,000	535,000	535,000	535,000	535,000	535,000
Downtown Improvements & Marketing		50,000	90,200	80,200	80,200	80,200	80,200
Economic Devel Projects	324,855	1,078,333	1,018,133	1,031,500	1,039,561	1,051,998	1,068,528
Total Economic Development **	849,855	1,663,333	1,643,333	1,646,700	1,654,761	1,667,198	1,683,728
Total Expenditures	14,489,657	19,069,692	35,054,068	29,010,307	15,981,496	16,671,978	16,837,284
Net Revenues	3,470,692	234,080	(14,367,651)	(8,827,723)	703,614	100,000	100,000
Fund Balance	34,067,222	34,301,302	19,933,650	11,105,927	11,809,541	11,909,541	12,009,541
Fund Reserve (1.25 times Debt Svc requirements) (1)	(6,600,000)	(6,274,844)	(5,025,249)	(5,028,039)	(5,030,244)	(5,019,364)	(5,011,685)
Economic Devel Projects to be determined	(5,840,666)	(5,840,666)	(5,840,666)	(5,840,666)	(5,840,666)	(5,840,666)	(5,840,666)
Available Fund Balance	21,626,556	22,185,792	9,067,736	237,223	938,632	1,049,512	1,157,190

City of Round Rock Type B Funds

Economic Incentive Payments - #1

As of: 08/11/16

		FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Company	Total Committed	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated
Insys Therapeutics	30,000	10,000	10,000	10,000	0	0	0
Houghton Mifflin Harcourt Publishing	350,000	0	100,000	100,000	100,000	50,000	0
Odyssey Technical Solutions, LLC	110,000	103,000	7,000	0	0	0	0
ProPortion Foods, LLC	400,000	0	200,000	100,000	100,000	0	0
Airco Mechanical	190,000	190,000	0	0	0	0	0
UPS	500,000	0	0	0	250,000	250,000	0
Total Economic Incentive Payments	1,580,000	303,000	317,000	210,000	450,000	300,000	0



City of Round Rock

Agenda Item Summary

Agenda Number: F.1

Title: Consider a presentation regarding a Transportation Department and TCIP update.

Type: Presentation

Governing Body: Transportation and Economic Development Corporation (Type B)

Agenda Date: 8/25/2016

Dept Director: Gary Hudder, Transportation Director

Cost:

Indexes:

Attachments:

Department: Transportation Department

Text of Legislative File 2016-3738



City of Round Rock

Agenda Item Summary

Agenda Number: G.1

Title: Consider a resolution approving the FY 2016-2017 Operating Budget for the Round Rock Transportation and Economic Development Corporation.

Type: Resolution

Governing Body: Transportation and Economic Development Corporation (Type B)

Agenda Date: 8/25/2016

Dept Director: Susan Morgan, CFO

Cost:

Indexes:

Attachments: Resolution, Exhibit A

Department: Finance Department

Text of Legislative File 2016-3735

The Round Rock Transportation and Economic Development Corporation budget is funded from a 1/2% sales tax established for the purposes of providing transportation improvements and economic development activities. In August of 1997, voters authorized the adoption of an additional sales and use tax within the City at the rate of one-half of one percent, with the proceeds thereof to be used for streets, roads, drainage and other related transportation system improvements, including the payment of maintenance and operating expenses associated with such authorized projects. The additional sales and use tax became effective January 1, 1998. In November, 2011, voters authorized the Type B sales tax to be used for other economic development purposes as allowed by state law.

This budget will provide funding for debt service and administrative, financial, legal and engineering services and economic development activities of the Round Rock Transportation and Economic Development Corporation. Per the City's Financial Policies, revenues are allocated 90% to transportation needs and 10% to economic development purposes. The economic development purpose includes the annual contract with the Chamber of Commerce. The balance is available for incentives and other related needs as they are identified. The fund also includes \$5.8 million in fund reserves from prior years' unused economic development allocations.

The Round Rock Transportation and Economic Development Corporation will hold a meeting on this date regarding the proposed Operating Budget for the Round Rock Transportation and Economic Development Corporation for FY 2016-17. The Corporation oversees those improvements with the further approval of the City Council.

Staff recommends approval.

RESOLUTION NO. 2016-3735

**RESOLUTION ADOPTING THE 2016-2017
OPERATING BUDGET FOR THE ROUND ROCK
TRANSPORTATION AND ECONOMIC DEVELOPMENT CORPORATION**

WHEREAS, the Board of Directors of the Round Rock Transportation and Economic Development Corporation wishes to adopt an operating budget for fiscal year 2016-2017 in accordance with the attached proposal, Now Therefore

**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ROUND ROCK
TRANSPORTATION AND ECONOMIC DEVELOPMENT CORPORATION,**

That the operating budget for fiscal year 2016-2017 be adopted as set forth in Exhibit "A" attached hereto and incorporated herein for all purposes.

The Board of Directors hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution was adopted was posted and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof were discussed, considered and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

RESOLVED this 25th day of August, 2016.

By: _____
ALAN MCGRAW, President
Round Rock Transportation and Economic
Development Corporation

ATTEST:

_____, Secretary

EXHIBIT "A"

City of Round Rock Type B Funds

5 Year Estimated Available

As of: 08/11/16

	Actual FY2015	Projected FY2016	PROPOSED FY2017	FY2018	FY2019	FY2020	FY2021
Beginning Fund Balance	30,596,530	34,067,222	34,301,302	19,933,650	11,105,927	11,809,541	11,909,541
Revenue							
Sales Tax and Estimated Sales Tax	16,905,212	16,633,333	16,433,333	16,467,000	16,547,610	16,671,978	16,837,284
Interest	141,395	170,439	100,000	100,000	100,000	100,000	100,000
RM620 Improvement Project-Williamson Co. Participation		1,000,000	2,000,000				
Grant Proceeds	500,000	500,000					
Donations/contributions	123,765		653,084	615,584	37,500		
Williamson Co. Participation-Kenney Ft. Blvd. 2-3				1,500,000			
Williamson Co. Participation-University Blvd.		1,000,000	1,500,000				
Williamson Co. Participation-Roundville Ln.				1,500,000			
Other	289,977						
Total Revenue	17,960,349	19,303,772	20,686,417	20,182,584	16,685,110	16,771,978	16,937,284
Transportation Expenditures							
TCIP Projects (including TCIP amendment #37)	6,647,731	11,087,934	28,281,536	22,206,906	4,142,402	500,000	500,000
Projects to be determined					5,000,000	9,302,670	9,438,262
Other Items: Commons, Street Sweeping,							
Paving Contract & Traffic Signals	48,411	998,550	800,000	816,000	832,320	848,966	865,946
Debt Service (after refunding)	6,643,660	5,019,875	4,020,199	4,022,431	4,024,195	4,015,491	4,009,348
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Total Transportation	13,639,802	17,406,359	33,410,735	27,363,607	14,326,735	15,004,780	15,153,556
Economic Dev. Expenditures							
Chamber Agreement	525,000	535,000	535,000	535,000	535,000	535,000	535,000
Downtown Improvements & Marketing		50,000	90,200	80,200	80,200	80,200	80,200
Economic Devel Projects	324,855	1,078,333	1,018,133	1,031,500	1,039,561	1,051,998	1,068,528
Total Economic Development **	849,855	1,663,333	1,643,333	1,646,700	1,654,761	1,667,198	1,683,728
Total Expenditures	14,489,657	19,069,692	35,054,068	29,010,307	15,981,496	16,671,978	16,837,284
Net Revenues	3,470,692	234,080	(14,367,651)	(8,827,723)	703,614	100,000	100,000
Fund Balance	34,067,222	34,301,302	19,933,650	11,105,927	11,809,541	11,909,541	12,009,541
Fund Reserve (1.25 times Debt Svc requirements) (1)	(6,600,000)	(6,274,844)	(5,025,249)	(5,028,039)	(5,030,244)	(5,019,364)	(5,011,685)
Economic Devel Projects to be determined	(5,840,666)	(5,840,666)	(5,840,666)	(5,840,666)	(5,840,666)	(5,840,666)	(5,840,666)
Available Fund Balance	21,626,556	22,185,792	9,067,736	237,223	938,632	1,049,512	1,157,190



City of Round Rock

Agenda Item Summary

Agenda Number: G.2

Title: Consider a resolution approving the FY 2016-2017 Economic Incentive Payments (EIP) for the Round Rock Transportation and Economic Development Corporation.

Type: Resolution

Governing Body: Transportation and Economic Development Corporation (Type B)

Agenda Date: 8/25/2016

Dept Director: Susan Morgan, CFO

Cost:

Indexes:

Attachments: Resolution, Exhibit A

Department: Finance Department

Text of Legislative File 2016-3736

The Round Rock Transportation and Economic Development Corporation budget is funded from a 1/2% sales tax established for the purposes of providing transportation improvements and economic development activities. Per the City's Financial Policies, revenues are allocated 90% to transportation needs and 10% to economic development purposes. One of the primary purposes of these funds is to make economic incentive payments to businesses locating in Round Rock.

This is a new process for Type B. It is proposed to be consistent with the TCIP update process and in compliance with the Type B By-laws and state statutes.

The Round Rock City Council has already approved each of these agreements individually; the purpose of this resolution is for the Type B Board to ratify the use of these funds for these specific purposes.

Total Current EIP commitments are as follows:

Company	Total Committed
Insys Therapeutics	\$ 30,000
Houghton Mifflin Harcourt Publishing	350,000
Odyssey Technical Solutions, LLC	110,000
ProPortion Foods, LLC	400,000
Airco Mechanical	190,000
UPS	500,000
Total Committed	\$1,580,000

Staff recommends approval.

RESOLUTION NO. 2016-3736

WHEREAS, by Ordinance, the City Council has adopted a sales and use tax for the benefit of the Round Rock Transportation and Economic Development Corporation (“RRTEDC”); and

WHEREAS, one of the primary purpose for which the sales and use tax may be spent is to promote and develop new or expanded business enterprises that create or retain primary jobs; and

WHEREAS, the City Council has previously approved economic incentive agreements with various entities seeking to develop new or expanded business enterprises that create or retain primary jobs; and

WHEREAS, these agreements provide for the payment of Economic Incentive Payments (“EIP’s”) to the business entities; and

WHEREAS, the Board of Directors of the RRTEDC wish to approve the use of RRTEDC funds to make said EIP’s; and

WHEREAS, the business entities and the EIP’s are listed in Exhibit “A,” attached hereto, Now
Therefore

**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ROUND ROCK
TRANSPORTATION AND ECONOMIC DEVELOPMENT CORPORATION,**

That the FY 2016-2017 Economic Incentive Payments for the Round Rock Transportation and Economic Development Corporation, attached hereto as Exhibit "A," are hereby approved.

The Board of Directors hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution was adopted was posted and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof were discussed, considered and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

RESOLVED this 25th day of August, 2016.

By: _____
ALAN MCGRAW, President
Round Rock Transportation and Economic
Development Corporation

ATTEST:

_____, Secretary

EXHIBIT "A"

City of Round Rock Type B Funds

Economic Incentive Payments - #1

As of: 08/11/16

		FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Company	Total Committed	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated
Insys Therapeutics	30,000	10,000	10,000	10,000	0	0	0
Houghton Mifflin Harcourt Publishing	350,000	0	100,000	100,000	100,000	50,000	0
Odyssey Technical Solutions, LLC	110,000	103,000	7,000	0	0	0	0
ProPortion Foods, LLC	400,000	0	200,000	100,000	100,000	0	0
Airco Mechanical	190,000	190,000	0	0	0	0	0
UPS	500,000	0	0	0	250,000	250,000	0
Total Economic Incentive Payments	1,580,000	303,000	317,000	210,000	450,000	300,000	0