

CITY DEVELOPMENT CORPORATION OF EL CAMPO
REGULAR MEETING
May 21, 2012

Board Members Present: Wesley Lange, David Allgayer, Kinnan Stockton

Staff Present: Chandra Spenrath, Executive Director; Rebekkah Jones, Executive Assistant

Others Present: Mindy Snyder, City Manager; Attorney Ronny Collins; CDC attorney, Rebecca Munoz, Chamber of Commerce President; Scott Arbuckle, CDC Advisory Board Member; Clay Harris; Public Works Director City of El Campo

1. Wesley Lange called the Meeting to order at 3:36 PM.
2. Wesley Lange took roll of Directors and noted a QUORUM. Wesley Lange noted that Alan Heskamp and Randy Collins were absent.
3. The minutes from the Regular Meeting of April 16, 2012 were in the Board Packet for approval.

MOTION was made to approve the minutes of the Regular Meeting of April 16, 2012 by Kinnan Stockton and Seconded by David Allgayer. The MOTION passed unanimously.

4. Review bills and financial report.
5. Review and discuss the Investment Policy of the City Development Corporation, take any necessary action.

Chandra Spenrath noted that this policy is approved every year and that there are two minor changes brought to our attention by our auditor. Changes to be made are the word "four" to "three" and "six" to "sixty" (page 1). Changes are also made to the secretary and president signatures in the Investment Policy.

Kinnan Stockton asked about clarification regarding questions about CD's. Chandra Spenrath said we are still working on that. Chandra Spenrath understood that a legal opinion may be needed. Kinnan Stockton said that this did not seem to be an issue to him. Attorney Ronny Collins said that it was not an issue for him until he received the letter from Steve Van Manen. Ronny stated that he had left word for Mr. Van Manen in regards to his concerns that were referenced in the letter the CDC received. Spenrath expressed that this item would continue to be addressed.

MOTION was made to approve the Investment Policy as modified by Kinnan Stockton and Seconded by David Allgayer. MOTION passed unanimously.

6. Review Letter of Engagement for FY 2011-2012 Audit by Harrison, Waldrop & Uherek, L.L.P., discuss and take any necessary action.

Wesley Lange noted that Harrison, Waldrop & Uherek, L.L.P. have completed the CDC's audit for several years. Chandra Spenrath said yes and that they have also prepared the City of El Campo's audit as well. Wesley Lange asked if there had been any issues with them from Chandra's viewpoint. Chandra Spenrath said no. Spenrath noted

that the fee is the same as last year and has not changed. Kinnan Stockton asked if the City of El Campo has a policy on the rotation of auditors. Mindi Snyder said that they send out bids and this bid has an option to extend for two years (after 3 year commitment). The City is in the two year extension right now and will have Harrison, Waldrop & Uherek, L.L.P. for one more year. Wesley Lange asked if the CDC's contract is one year. Chandra Spenrath stated yes.

MOTION was made to approve Harrison, Waldrop, and Uherek, L.L.P as auditor FY 2011-2012 by Kinnan Stockton and Seconded by David Allgayer. MOTION passed unanimously.

7. Receive update on West Loop Community Park.

Mindi Snyder stated that the West Loop Community Park Committee met last week (Wednesday 16, 2012) and they are still in favor of moving forward with the park. Kinnan Stockton asked if they were still moving forward even without the CDC money. Mindi Snyder said that at this point they are looking at all their options and still plan on moving forward. Kinnan Stockton asked why the Proposition 4 had to be on the ballot if the MOU had been in place. Stockton asked if there was a deadline or expiration. Mindi Snyder said that July 1 (2012) was the original deadline. Snyder said that ballot items had to be placed back in January and the City felt like Little League had not met their obligations to move forward so the City recommended the extension to be placed before the voters. Attorney Ronny Collins confirmed that the original agreement (2010) is still valid for another 30 days, but the voters did not give them (ECLL) the extension. Mindi Snyder said that Little League has met and looked at what their options to move forward as well. Snyder clarified that this is a new board (ECLL) and the board members have changed people a few times since January (2012) and they are working through their issues. Kinnan Stockton asked at what point can the CDC fund that money since the agreement is good through July 1, 2012. Attorney Ronny Collins said that the terms and agreement state that they have to give the CDC a "viable project" and then the CDC has to decide if that is true. Collins said that there are deadlines with what the terms state. David Allgayer asked if basically the "ball" is in Little League's court. Mindi Snyder confirmed yes. Kinnan Stockton asked if there was a matching fund issue. Attorney Ronny Collins confirmed yes they have to have up to a certain amount of matching fund available. David Allgayer asked where things are with Mr. Appling. Mindi Snyder said that Little League is having discussions with Mr. Appling to move this project forward.

8. Review Revitalization Program and Applications, discuss and take any necessary action.

Chandra Spenrath stated that there were not any new applications right now for the CDC board to approve. Spenrath gave an overview of the program stating that there were about \$ 627,000.00 pledged funds that will be invested into El Campo with the CDC's commitment at \$55,000.00. Spenrath said we have had a lot of calls regarding this program and people are getting their applications together especially for Tier III. Spenrath stated there may be a need to extend the program after June 1, 2012. Kinnan Stockton indicated that he liked this program and would be in favor of an extension.

9. Board members opened executive session at 3:50 PM:

A. Discuss and deliberate economic development, as authorized by Section 551.087 of the Texas Government Code, regarding:

- a. Project BLOCKER
- b. Project ARCHER
- c. Report on Economic Development negotiations and prospects.

10. Board Members reconvened open session at 4:18 PM:

In Regards to Project Archer:

MOTION was made to approve the water and sewer extension request up to the amount of \$110,000.00 payable to the City of El Campo upon their request; to oversize a waterline up to 12 inches and a sewer line up to 12 inches taking place on South Blue Creek Road by Kinnan Stockton and Seconded by David Allgayer. MOTION passed unanimously.

11. Wesley Lange adjourned the meeting at 4:20 PM.