

CITY DEVELOPMENT CORPORATION OF EL CAMPO
REGULAR MEETING
September 21, 2009

Board Members Present: Gwen Willis, Wesley Lange, Alan Heskamp, Bobby Perez, Randy Collins

Staff Present: Chandra Spenrath, Executive Director; Jessica Thane, Executive Assistant

CDC Attorney: Ronny Collins

Ex-Officios Present: Phillip Spenrath, Mayor of El Campo

Others Present: Brenda Sommer, El Campo Leader News; Ross Fasolino, Wayne Robinson, and Karl Heller, Eagle Eye Systems.

1. President Willis called the Meeting to order and noted a QUORUM at 4:00 pm.
2. The minutes from the Regular Meeting of August 17, 2009 were in the Board Book for approval.

Bobby Perez made the MOTION to approve the minutes of the Regular Meeting held on June 15, 2009 as presented. Alan Heskamp Seconded the Motion and it passed unanimously.

3. President Gwen Willis opened EXECUTIVE SESSION at 4:02 PM to:
 - A. Discuss and deliberate economic development negotiations, as authorized by TEX. GOV'T CODE ANN. 551.087, regarding:
 - a. Project Eagle Eye
4. OPEN SESSION reconvened at 4:55 pm.
 - a. Action taken regarding economic development negotiations: NONE.
5. The updated Goals from the August 21, 2009 CDC Workshop were in the Board Book for review and possible action.

MOTION was made by Alan Heskamp to approve the City Development Corporation of El Campo 2009-2010 Goals established at the August 21, 2009 Workshop. Wesley Lange Seconded the Motion and it passed unanimously.

6. Appoint committee to consider and review 4B Projects that would require voter approval.

Board members Bobby Perez and Randy Collins expressed interest in serving on the committee. Board member Wesley Lange voiced his concerns over the risks involved in the CDC undertaking a 4B project that the voters could decide to abolish the 4A Corporation. CDC Attorney Ronny Collins advised that there could be a voter initiative to abolish the CDC at anytime, but the election would be for the Project only, so the CDC wouldn't run the risk. CDC Attorney Ronny Collins advised that the ballot would be for a single project, not to change the status of the Corporation. Wesley Lange stated that he thinks the CDC should ease into it and also work hand in hand with the City on any Project selected.

The Board discussed what the best method would be in exploring the various 4B Projects, including appointing a committee, involving City Council, or having the full Board discuss at a Special Meeting. President Willis asked what the cost of the election/ballot process would be and Ronny responded it would be minimal, estimating around \$2,500-\$5,000 depending on what else is on the ballot.

After much discussion, the Board of Directors came to the consensus to appoint a committee consisting of Randy Collins, Bobby Perez, and Director Chandra Spenrath to explore the list of 4B Projects and research the economic impact, cost and the benefit of each project.

7. The bills and financial reports for the month of August were reviewed.
8. Review investments and loan debt, take possible action.

A spreadsheet detailing the current interest rates on the CDC's investments and loan for the Silver Streak Bass building was in the Packet for review. Executive Director Spenrath explained that several of the Corporation's CD's were maturing and the interest rate would likely be at 1.5%. The loan for the Silver Streak Bass building has a 4.75% interest rate. The interest paid last year on the Silver Streak Bass Loan was over \$34,000. If the maturing loans were to be reinvested, they would earn a little over \$7,000. Executive Director Spenrath proposed paying off the Silver Streak Bass debt with the maturing CD's, and then investing the money the CDC would save on interest paid.

Alan Heskamp made the MOTION to pay off the Silver Streak Bass building loan. Wesley Lange Seconded the Motion and it passed 3-2. Gwen Willis, Alan Heskamp, and Wesley Lange vote FOR, Randy Collins and Bobby Perez voted AGAINST.

9. Receive Staff Report and Update on:
 - A. WinCup
 - B. Marketing/Website – Circle L

10. President Gwen Willis reopened EXECUTIVE SESSION at 5:50 PM to:

- B. Discuss and deliberate economic development negotiations, as authorized by TEX. GOV'T CODE ANN. 551.087, regarding:
 - a. Project Eagle Eye
 - b. Project Thirst
 - c. Project Foam
- C. Discuss and deliberate real estate negotiations, as authorized by Section § 551.072 of the Texas Local Government Code.
 - a. Divide Street property

11. OPEN SESSION reconvened at 7:04 pm.

- a. Action taken regarding economic development negotiations: NONE.
- b. Action taken regarding real estate negotiations: NONE.

12. President Willis Adjourned the meeting at 7:05 pm.