

CITY DEVELOPMENT CORPORATION OF EL CAMPO
REGULAR MEETING
January 23, 2012

Board Members Present: Alan Heskamp, Wesley Lange, Randy Collins, Kinnan Stockton, David Allgayer

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

Others Present: Mindi Snyder, City Manager; Kyle Smith, University of Houston SBDC; Lee Higgins, Site Selector

1. President Heskamp called the Meeting to order at 3:00 PM.
2. President Heskamp took roll of Directors and noted a QUORUM.
3. The minutes from the Regular Meeting of November 21, 2011 were in the Board Book for approval.

MOTION to approve the minutes of the Regular Meeting of November 21, 2011 as presented except for the following changes submitted by President Heskamp:

Item #6, end of 1st paragraph:

President Heskamp thanked Leeanna for the excellent job the NEC does toward workforce training and especially the recent success with the GED Program.

Item #7, replace last sentence of 1st paragraph:

The members have committed to a 1 year term and to attend 4 meetings during the year as well as be available for client meetings as needed.

Item #10, last paragraph, replace 2nd sentence with:

President Heskamp expressed his concern that the CDC does not have enough funding to do economic development and quality of life projects and pointed out that the CDC only has \$250,000 per year of discretionary funds from sales tax revenue. President Heskamp discussed an option that might give the CDC more funds, without raising taxes, which could help with quality of life projects.

Item #13, paragraph 3, add to last sentence:

.....with Wesley Lange, Randy Collins, David Allgayer and Kinnan Stockton FOR and President Heskamp AGAINST. President Heskamp voted AGAINST over concerns that jobs are being traded. President Heskamp is in favor of the park, just not in favor of spending \$1,000,000 on it.

Item #13, paragraph 4, replace 2nd sentence:

President Heskamp expressed his concern that this would bootstrap future boards to which Kinnan Stockton and Wesley Lange agreed.

Kinnan Stockton submitted a change to the minutes:

Item #10 A, paragraph 5, replace 1st sentence:

Kinnan Stockton questioned whether the structure of these sales tax revenue bonds for this project would be tax exempt to the purchaser.

MOTION was made by Alan Heskamp and Seconded by. The MOTION passed unanimously.

4. Bills and financial reports were reviewed by board.
5. Regular Board Meeting/Annual Meeting scheduled for February 27, 2012 at 3 pm.
6. Receive update on West Loop Community Park.

City Manager Mindi Snyder presented the update.

7. Consider and take any necessary action on the Revised Revitalization Program.

Chandra Spenrath reviewed the Revised Revitalization Program material that was sent out in December 2011 and in January 2012. There are 3 different tiers for funding because different levels of projects that have come to CDC and asked for funding. Clarity was asked on matching portion of grant in regards to total investment on project. Randy Collins suggested to research when board approval, committee approval, and staff approval is needed. Spenrath stated that all projects on tier two and three would be brought to board for approval.

MOTION to approve the Revised Revitalization Program with these changes was made by Kinnan Stockton and Seconded by David Allgayer. The MOTION passed unanimously.

8. Consider and take any necessary action regarding a resolution to support I-69 Transportation Projects for El Campo.

Spenrath explained the resolution that supports projects which need to be in writing, so when monies become available through grants or federal funding these projects will be on the books. This resolution is in conjunction with the I-69 Segment Advisory Committee.

MOTION to adopt resolution R-2012-01 supporting the I-69 Transportation Projects for El Campo was made by Alan Heskamp and Seconded by Wesley Lange. The MOTION passed unanimously.

9. Discuss possible dates for 4B Workshop.

Spenrath stated that at a previous meeting Randy Collins wanted to discuss pros and cons and possibly dates for a 4B Workshop. Collins suggested a discussion between board members to decide when and if this would be possible. Heskamp suggested having City Council there. Heskamp suggested having the Workshop on the February 27, 2012 meeting date. It was agreed to check with City Council after their meeting and decide when to schedule.

No Action was taken.

10. Board members opened executive session at 3:33 PM:

- A. Discuss and deliberate economic development, as authorized by Section 551.087 of the Texas Government Code, regarding:
 - a. Project WARD
 - b. Project SWATE
 - c. Project RECREATION
 - d. Project WASHINGTON
 - e. Project TOW
 - f. Project FISHBOWL
 - g. Inform Board of specific Business Retention and Expansion Program survey results
 - h. Report on Economic Development negotiations and prospects

11. Open Session reconvened at 5:55 PM:

- A. Take action, if necessary, regarding Project WARD:

MOTION was made by Alan Heskamp that the CDC enter into an Economic Development Agreement with Integra Fuels, LTD in order to encourage primary job creation, to provide \$40,000 each year for five years, contingent on Integra Fuels, LTD meeting the following full time job requirements annually:

- Year 1: 10
- Year 2: 12
- Year 3: 14
- Year 4: 17
- Year 5: 20

In any year, if the job requirements are not met, no payment will be provided. A full time equivalent job is defined as average annual compensation above \$48,000 per year, determined by IRS Form 941, filed by Integra Fuels, LTD.

MOTION was Seconded by Wesley Lange. The MOTION passed unanimously.

12. President Heskamp adjourned the meeting at 6:01 PM.