

CITY DEVELOPMENT CORPORATION OF EL CAMPO
REGULAR MEETING
March 19, 2012

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

Staff Present: Chandra Spenrath, Executive Director

Others Present: Attorney Collins; Lawyer of Duckett, Bouligny, and Collins, Pat Karpec; Little League President, Leeanna Shimek; Northside Education Center, Mindy Snyder; City Manager

1. President Heskamp called the Meeting to order at 3:05 PM.
2. President Heskamp took roll of Directors stating that Kinnan Stockton is absent and noted a QUORUM.
3. The minutes from the Regular Meeting of February 27, 2012 were in the Board Packet for approval.

MOTION to approve the minutes of the Regular Meeting of February 27, 2012 was made by Wesley Lange and Seconded by David Allgayer. The MOTION passed unanimously.

4. Review bills and financial report.

Chandra Spenrath noted that there was not much due to the fact there was only 3 weeks between meetings.

5. Discuss and take any necessary action regarding the 1301 N. Blue Creek Road Building roof repair/replacement.

President Heskamp noted that the document in the packet is obsolete and that the document redlined has Attorney Collins review, comments, and changes. The document that was handed out in this meeting is the final contract with the changes incorporated and signed by New Concept Construction. This contract was negotiated between Leedo Manufacturing and New Concept Construction to replace the roof on Building A which was the original building and to repair the roofs on Buildings B and C as required. President Heskamp asked Attorney Collins if the contract was between the CDC and the ECEDC. Attorney Collins verified that the contract was indeed between CDC and ECEDC. President Heskamp noted that he spoke with Cecil Davis regarding whether sales tax will have to be paid or not. Attorney Collins noted that they are a private non-profit organization but that they are not exempt from sales tax. President Heskamp also noted that anything over the agreed upon amount will be paid 100% fully by Leedo Manufacturing. A question was raised by Attorney Collins regarding the three addresses listed on the contract. Chandra Spenrath noted that due to a moved door location, the address of the building changed. The old address is used primarily for office purposes. The correct address is 600 Sam Bishkin Road, El Campo, TX 77437.

MOTION to approve the three party roof repair/replacement contract and the roof repair agreement with New Concept Construction with the following changes:

1. Delete anywhere in contract which states "City" or "ECEDC".
2. Correct all addresses to reflect the 600 Sam Bishkin Road, El Campo, TX 77437.

MOTION was made by Randy Collins and Seconded by Wesley Lange. MOTION passed unanimously.

6. Discuss and take any necessary action regarding the extension of the Leedo lease agreement for the building located at 1301 North Blue Creek Road.

Chandra Spenrath noted that the current lease expires April 5, 2012. Spenrath said she spoke with George Hagel and he asked if the CDC could extend the lease. Spenrath also talked with Mindi Snyder regarding the sale of the building and Spenrath's recommendation is to extend the lease for another 120 days. She also stated that in the lease agreement, it states that they can purchase the building at any time. President Heskamp noted that this would extend to August 5, 2012.

MOTION to extend the current lease agreement between the City Development Corporation of El Campo and El Campo Economic Development Corporation and Leedo from April 5, 2012 to August 5, 2012 was made by President Heskamp and Seconded by David Allgayer. The MOTION passed unanimously.

7. Receive quarterly update from Northside Education Center regarding workforce development.

Leeanna Shimek gave the update of Northside Education Center. She noted that the El Campo Chamber of Commerce has moved into the offices of Northside Education Center. Leeanna Shimek also gave an overview of the classes that are being offered at this time.

8. Receive an update on West Loop Community Park.

Chandra Spenrath introduced Pat Karpec, Little League President. Pat Karpec became Little League President about 5 weeks ago. Karpec said that the little league is very excited about this upcoming year. Karpac said thank you to the CDC for all that they do. Karpec said that the season starts this upcoming Sunday and that there will be an opening kickoff this year. Karpec said that the numbers and the registration are important to little league. Karpec said that the fees are the same this year as last year. Chandra Spenrath noted that there is a new scoreboard. Karpec agreed that the new scoreboard and the new sponsor signs are up. President Heskamp thanked Pat Karpec.

9. Review and take any necessary action regarding the Revitalization Program and applications.

Chandra Spenrath said that she met with Randy Collins and Kinnan Stockton regarding a Tier III project. This project is an apartment building which is located on HWY 71 going South on the right hand side. The twelve units are currently not occupied. President Heskamp asked if there were any other Tier III projects waiting to be approved. Chandra Spenrath stated that there were no others now. Concern was raised by Wesley Lange due to the costs of labor that will be made by the applicant himself. President Heskamp stated

that he will be submitting before and after pictures and that the applicant will have to provide documentation of other labor and materials.

MOTION to approve the Tier III Vallejo project with the following stipulation:

1. See \$24,500 worth of receipts from a party other than Vallejo Properties.

MOTION was made by Randy Collins and Seconded by David Allgayer. The MOTION passed unanimously.

10. Receive and take any necessary action on Incentive Guidelines Committee Report.
Chandra Spenrath noted that this was from the last meeting. Spenrath said that included in the packet handed out are the state guidelines, incentives, thresholds, and primary jobs of a 4A corporation. They have started on a formula with factors such as hourly wages, salary ranges, examples of what could be presented, etc. Discussion took place on what types of incentives and how they would be set in place with incoming companies and job possibilities.

MOTION to accept the updated incentive job guidelines recommendations from the committee with the following changes:

1. Add 03/19/12 to each page.

MOTION was made by Wesley Lange and Seconded by Alan Heskamp. MOTION passed unanimously.

11. Discuss any follow up regarding the joint City Council/City Development Corporation Meeting regarding 4B.

Chandra Spenrath stated that she sent out an email regarding this. She said that she did not receive any feedback. Wesley Lange said that he wants it to remain at 4A and is concerned that if this was sent to a public vote, then there could be a possibility that the CDC could be eliminated altogether. Alan Heskamp said he is concerned that there is not enough money to be able to do the 4B projects. Randy Collins said that he thinks we are working on 4B projects. Chandra Spenrath asked Randy Collins what other 4B projects he would like to see done or if the CDC became 4B what would he like to see done with the money. Randy Collins said he would like to see some Revitalization Projects done downtown, parks that could use some help, and more quality of life type projects instead of just industry projects. Randy Collins said that the biggest issue he has heard from more people is that we need more people moving into the community to live here and raise their families. He said that this will help raise the local economy and in turn go to the sales tax which goes in part to the CDC. He said that this is the only way he sees the community growing in the next 5 to 10 years is if we become a bedroom community, promote it as such and do quality of life projects to entice people to move here. Randy Collins said he would also like to see cooperation with the school district as well. Randy Collins said he is for becoming a 4B without raising the taxes to a half percent. Alan Heskamp said he disagrees. David Allgayer said he is concerned with the timing of the new ball field as well as the CDC becoming 4B and putting both of these things to the voters. David Allgayer said he is not against becoming 4B, he just wants to get through the voting process of the new ball field first. Chandra Spenrath suggested that this discussion of 4B be tabled for the next workshop that is scheduled for fall 2012. Chandra

Spentrath also said that maybe there could be a project the CDC can tie to becoming 4B, and then the community would be more apt to buy into voting the CDC to a 4B.

12. President Heskamp adjourned the meeting at 4:22 PM.