

MINUTES
CUERO DEVELOPMENT CORPORATION
REGULAR MEETING
Monday, May 15, 2017 5:30 P.M.

The Cuero Development Corporation Board of Directors met Monday, May 15, 2017, at 212 E. Main Street, Cuero, Texas.

PRESENT: Board Members: Charles Papacek, Chris Crain, Dennis Jemelka, Mayor Sara Post Meyer, Richard Weber, Randy Jochim, David Scott, Executive Director, Patrick J. Kennedy, and CDC Administrative Assistant, Samantha Solis

GUESTS: Thuy (Tina) Dang, Joe Humphreys, and Donald Jirkovsky

I. CALL TO ORDER

President Charles Papacek called the meeting to order at 5:30 P.M.

II. CITIZENS INPUT

None

III. MONTHLY FINANCIAL REPORTS

APPROVAL OF APRIL FINANCIAL REPORT

Mr. Patrick J. Kennedy gave the financial report for the period ending April 30, 2017. Mr. David Scott reported that he is awaiting a response from the auditor on the value of the real property at Pebble Ridge.

MOTION MADE BY RICHARD WEBER, SECONDED BY RANDY JOCHIM, TO ACCEPT THE APRIL FINANCIAL REPORT AS PRESENTED. AYES: 7 NAYES: 0 MOTION CARRIED.

IV. BUSINESS

CONSIDER AND ACT UPON AN APPLICATION FOR BUSINESS RETENTION AND EXPANSION PROGRAM GRANT FOR THE NAIL SHOP, 121 E. MAIN ST.

Ms. Thuy (Tina) Dang was present at the meeting and Mr. Donald Jirkovsky of the UHV-SBDC spoke on her behalf. Mr. Jirkovsky noted that The Nail Shop has complied with all of the standards regulated by the SBDC and Ms. Dang has shown to have a complete Business Plan.

Mr. Kennedy mentioned that The Nail Shop's current location has severe roof leakage, causing problems to her business. Ms. Dang is moving across the street to a newly purchased building that has a new roof and smaller square footage to better suit her needs as a nail salon. The proposed project would include the upgrading of the floors, adding a small room to the building, and painting the exterior of the building.

Mr. Charles Papacek questioned if the new business location has had an asbestos survey done. Mr. Jirkovsky stated that he was unaware of the said survey, but he would imagine that it has been done. Mr. Kennedy also noted that the City of Cuero Building and Standards Department would not allow for the renovation of the interior, if they thought that asbestos was a problem in the new building.

Mr. Crain questioned if the CDC has ever funded a program where the lessee comes in for a grant application rather than the building owner. Mr. Kennedy said yes, the CDC has funded a few in the past.

Mr. Crain also questioned if The Nail Shop has a dba through DeWitt County. Mr. Jirkovsky said that Ms. Dang does hold a dba through DeWitt County.

MOTION MADE BY RICHARD WEBER, SECONDED BY DAVID SCOTT, TO APPROVE THE BUSINESS RETENTION AND EXPANSION PROGRAM GRANT FOR THE NAIL SHOP, 121 E. MAIN ST., IN THE AMOUNT OF \$8,000. AYES: 7 NAYES: 0 MOTION CARRIED

REVIEW AND DISCUSS DRAFT APPLICATION #4 FOR ENTREPRENEUR PROGRAM FOR FY 2017-2018

Mr. Kennedy noted that the new edits in green, were those of Mr. Chris Crain and the edits in blue were those of Mr. Joe Humphreys.

Mr. Humphreys reported that the goal of the CDC has always been to have a simplified Entrepreneur Grant Application, but due to the recent suggestions, the application has become long and extensive. The SBDC has been working with the CDC on how the application process can be simplified. Mr. Humphreys suggested that instead of the applicant coming in for an application and working with the SBDC to meet the program requirements, that the applicant first work with the SBDC and if they meet the guidelines, they can then move forward with the CDC grant application. In the proposed packet, which Mr. Humphreys will provide at the June meeting, the applicant would first meet the guidelines of the program and if judged to be appropriate, the applicant would then become a client of the SBDC. Mr. Humphreys noted that the new program would be a lot like that of the Small Business Administration guidelines. There will have to be a gap analysis done on the business as part of the pre-evaluation of the applicant.

Mayor Meyer suggested that a video telling of the Entrepreneur Program Grant Application be posted to the CDC website. Mr. Humphreys mentioned that he has spoken to Mr. Kennedy in regards to doing an Entrepreneur Program Training three times a year to keep everyone informed of the programs and the logistics of how it'll work.

REVIEW AND DISCUSS FIRST DRAFT OF THE PROPOSED FY 17-18 BUDGET

A copy of the draft FY 17-18 was included in the Board package. The CDC will be doing a Budget Amendment in June. The plan is to move money into the Business Retention and Expansion Program due to the high success rate this FY. Mr. Kennedy noted the increases in Administration and Contracts and Services and the decrease in the Enterprise Program due to lack of participation this year. The City of Cuero Park's Department has been satisfied with the help of the CDC and has successfully completed all of their projects. In working with the City of Cuero, it was suggested that the line item be changed to "Downtown Renovation" to assist the City with any upcoming projects that they may have. The Community Services Program will remain the same, Business Retention and Expansion will go back to the original amount of \$60,000, the Main Street Façade Program will remain the same, though there has been a lack of participation, the Enterprise Program has been reduced to \$75,000 and if needed can be amended for more funds, and the Entrepreneur Program will be reduced. The December Events Committee budget came directly from Treasurer Alton Meyer in working with staff. The DEC plans to move money from reserves in hopes of maximizing their money spent for LED lighting, which will take around two years to fully convert. In addition, the DEC will apply for the GVEC Power Up Grant for the purchasing of LED lighting.

Mayor Meyer questioned if there was money in the FY 17-18 budget allocated to Wayfaring for the Cuero Main Street Department. Mr. Kennedy said no, but once there was a complete plan in place there would be a possibility of providing funds to the Wayfare program.

V. CONSENT AGENDA

Included in the director's agenda packets for review were: Regular Meeting Minutes, Monday, April 17, 2017, Special December Events Committee Regular Meeting Minutes, Wednesday, May 10, 2017, and December Events Committee April Financial Report.

MOTION MADE BY MAYOR SARA POST MEYER, SECONDED BY DENNIS JEMELKA, TO ACCEPT THE CONSENT AGENDA AS PRESENTED. AYES: 7 NAYES: 0 MOTION CARRIED

VI. EXECUTIVE DIRECTOR REPORT

- 1) Sales Tax Comparisons – A copy of the sales tax revenue report was included in the Board package. The sales tax is still flat, but it's not where it was anticipated to be. There will be an upcoming budget amendment in June.

Mr. Steve Van Manen of Harrison, Waldrop, and Uherek, L.L.P. presented a letter to Mr. Papacek in regards to the 2.5 million dollars in the CDC bank accounts. Mr. Van Manen noted that because the CDC is not looked upon as a government entity, their monies are not covered under the FDIC. The CDC was given three options of having their money covered. Mr. Kennedy will work with the City of Yoakum, as they have had this issue arise in the past.

- 2) Discuss upcoming conferences/meetings – The Texas Economic Development Council is holding their Mid-Year Conference on June 12th and Mr. Kennedy has arranged for Chuck Dart to pick up the CDC's 2016 Economic Excellence Recognition Award. Mayor Meyer will be attending the Eagle Ford Consortium on behalf of the Cuero Development Corporation on June 8th in Cotulla. Mr. Kennedy will be attending the Texas Rural Challenge at the end of June in Waco.
- 3) Discuss upcoming Community Leaders' Meeting – June 2nd is coordinating with Texas Disposal Systems for a presentation by Mr. James Griffin – Municipal House Accounts and the guest speaker for July 7th will be Kevin Patteson, General Manager/CEO of the Guadalupe-Blanco River Authority.
- 4) December Events Committee – It was reported that the DEC has approved a third budget amendment for the FY 16-17. The fiscal department will honor the changes of the DEC and use the CDC's minutes as back-up documentation.
- 5) Current Projects – A copy of the FY 2016-2017 projects was presented to the Board. Mr. Kennedy noted that four projects were near completion, so he would send an email to the applicants in hopes of having them paid prior to his absence in the office.

Mr. Kennedy reported that the 4.11 acres in Pebble Ridge property has to be replatted and appraised. If the possible purchaser is interested in the price of the property, they will then have to go to the homeowners association. The property is planned to be used for the storage of tractors. This project has been terminated.

The City of Cuero has offered to cover the expenses incurred of receiving an appraisal of the property that Graceland is looking to purchase. There will be at least 20 jobs created.

VII. EXECUTIVE SESSION

Pursuant to Title 5 of the Texas Government Code, Chapter 551, Section 551.074, regarding Personnel Matters. To conduct the annual evaluation of the Executive Director (V.T.C.A., Government Code, Section 551.074)

Cuero Development Corporation began an Executive Session of May 15, 2017 at 6:40 P.M.

VIII. RECONVENE TO OPEN MEETING

RECONVENE PUBLIC MEETING TO TAKE NECESSARY ACTION, IF ANY, ON MATTERS DISCUSSED IN EXECUTIVE SESSION.

ANNOUNCEMENT BY PRESIDING OFFICER: Cuero Development Corporation has completed its Executive Session of May 15, 2017 at 8:16 P.M.

Based upon a successful annual evaluation, the Board of Directors gave the authorization of a 5% salary increase for Patrick J. Kennedy, Executive Director of the Cuero Development Corporation.

A MOTION WAS MADE AND SECONDED TO AUTHORIZE A 5% SALARY INCREASE FOR PATRICK J. KENNEDY, EXECUTIVE DIRECTOR OF THE CUERO DEVELOPMENT CORPORATION STARTING DURING THE MAY 22, 2017 PAY CYCLE.

IX. ADJOURN

MOTION MADE BY DENNIS JEMELKA, SECONDED BY RICHARD WEBER, TO ADJOURN THE MEETING AT 8:20 P.M. AYES: 7 NAYES: 0 MOTION CARRIED


CHARLES PAPACEK
PRESIDENT

ATTEST:



DAVID SCOTT
SECRETARY/TREASURER

**NOTICE AND AGENDA
REGULAR MEETING
CUERO DEVELOPMENT CORPORATION
MONDAY, MAY 15, 2017, 5:30 P.M.**

The Cuero Development Corporation (CDC) will hold their regular monthly meeting at 5:30 p.m. on Monday, May 15, 2017 at 212 E. Main, Cuero, Texas. This notice is posted pursuant to the Texas Open Meetings Act.

I. CALL TO ORDER

II. CITIZENS INPUT (2 minutes each)

- Citizens who have not filed an agenda application

III. MONTHLY FINANCIAL REPORTS

- Approval of April Financial Report

IV. BUSINESS

- Consider and act upon an application for Business Retention and Expansion Program for The Nail Shop, 121 E. Main St.
- Review and discuss draft application #4 for Entrepreneur Program for FY 2017-2018
- Review and discuss first draft of the proposed FY 17-18 Budget

V. CONSENT AGENDA

- Regular Meeting Minutes, Monday, April 17, 2017
- December Events Committee Special Meeting Minutes, Wednesday, May 10, 2017
- December Events Committee April Financial Report

VI. EXECUTIVE DIRECTOR'S REPORT

- Sales Tax Comparisons
- Discuss upcoming Community Leader's Meeting
- Discuss upcoming conferences/meetings.
- December Events Committee
- Current Projects

VII. EXECUTIVE SESSION

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VIII. RECONVENE TO OPEN MEETING

1. Actions resulting from Executive Session

IX. ADJOURN



This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the Cuero Development Corporation office at (361) 275-8178 or FAX (361) 275-6274 for further information.

The Cuero Development Corporation reserves the right to retire into executive session concerning any of the items listed on this agenda, whenever it is considered necessary and legally justified under the Open Meetings Act.

CERTIFIED AS POSTED AT:

City Hall, 212 E. Main Street; Cuero Development Corporation, 214 E. Main Street; and on the CDC website, Friday, May 12, 2017