

**NOTICE AND AGENDA
REGULAR MEETING
CUERO DEVELOPMENT CORPORATION
MONDAY, AUGUST 20, 2018**

The Cuero Development Corporation (CDC) will hold their regular monthly meeting at 5:30 p.m. on Monday, August 20, 2018, at 212 E. Main, Cuero, Texas. This notice is posted pursuant to the Texas Open Meetings Act.

I. CALL TO ORDER

II. CITIZENS INPUT

- Citizens who have not filed an agenda application

III. MONTHLY FINANCIAL REPORTS

- Approval of July Financial Report

IV. BUSINESS

- Consider and act upon an application for Business Retention and Expansion Program for Cuero Veterinary Clinic, PLLC – Koby Reitz
- Consider and act upon an application for Business Retention and Expansion Program for Camille Smolik, Smolik’s Quality Meats & BBQ
- Consider and act upon an application for Community Services Program for Cuero and Fair and Turkey Trot Association
- Consider and act upon an application for Business Retention and Expansion Program for James E. Timpone DBA Cuero Automotive Service and Repair
- Receive an application for Enterprise Program from Gaetan Pelletier – TheTexInn Hotel
- Consider and act upon approval of the FY 18-19 CDC Programs
- Hear report from Mayor Sara Post Meyer in regards to the Cuero Municipal Airport

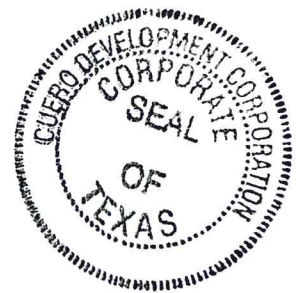
V. CONSENT AGENDA

- Regular Meeting Minutes, Monday, July 16, 2018
- December Events Committee Regular Meeting Minutes, Wednesday, July 18, 2018
- December Events Committee July Financial Report

VI. EXECUTIVE DIRECTOR’S REPORT

- Sales Tax Comparisons
- Discuss upcoming conferences/meetings
- December Events Committee
- Current Projects

VII. 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, August 17, 2018

MINUTES
CUERO DEVELOPMENT CORPORATION
REGULAR MEETING
Monday, August 20, 2018 5:30 P.M.

The Cuero Development Corporation Board of Directors met Monday, August 20, 2018, at 212 E. Main Street, Cuero, Texas.

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

GUESTS: Donald Jirkovsky – University of Houston-Victoria Small Business Development Center, Annette Rath & Amy Thigpen – Cuero Fair & Turkey Trot Association, Dr. Koby Reitz & Shannon Reitz – Cuero Veterinary Clinic, Camille Smolik – Smolik’s Quality Meats & BBQ, and James Timpone, & Jay Timpone – Cuero Automotive Service and Repair

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 JULY FINANCIAL REPORT

Mr. David Scott gave the financial report for the period ending July 31, 2018. Mr. Patrick J. Kennedy mentioned that in meeting with the City of Cuero Fiscal Department, it was advised that a budget amendment was not necessary, as previously discussed. Due to the individual line items being listed in the broad account numbers, it was suggested that the CDC have a better tracking system for the 2018-2019 FY budget. Mr. Kennedy also mentioned that Bahnhof Café has paid their loan in full and the money will be transferred from the account at TrustTexas Bank to the Old BCL account at TexPool.

Mayor Sara Post Meyer questioned why the interest payments from the CD’s were not listed on the financials. Mr. Kennedy stated that they are not listed because TDECU is the only entity that gives an interest statement and the rest will be available upon maturity of the CD.

MOTION MADE BY DAVID SCOTT, SECONDED BY DENNIS JEMELKA, TO ACCEPT THE JULY FINANCIAL REPORTS AS PRESENTED. AYES: 7 NAYES: 0 MOTION CARRIED.

IV. BUSINESS

CONSIDER AND ACT UPON AN APPLICATION FOR BUSINESS RETENTION AND EXPANSION FOR CUERO VETERINARY CLINIC, PLLC – KOBY REITZ

Mr. Kennedy stated that Cuero Veterinary Clinic is seeking assistance for the expansion of the 900 sq. ft. building that is in existence. An additional 1300 sq. ft. will be available for an x-ray room, 2 surgical suites, and a larger area for small animal treatments.

Mrs. Shannon Reitz explained that the remodeling of the existing clinic will include a covered entrance with a sidewalk, a larger reception area, remodeling and expanding of the three exam rooms, an HVAC unit, and an ADA compliant bathroom. Mrs. Reitz added that the cabinetry will be installed by a local company.

Mr. Kennedy added that in working with the University of Houston-Victoria, Small Business Development Center, it was mentioned that the Cuero Veterinary Clinic submitted an exceptional Business Plan.

Mr. Charles Papacek questioned if the additional employees would be two new Veterinarians. Dr. Reitz mentioned that there would be two new Vets that will join the clinic by the end of August and they would work around the new construction.

Mr. Chris Crain questioned who owns the Cuero Veterinary Clinic building, as presented in the contract agreement. Mrs. Shannon Reitz mentioned that she and Dr. Reitz have two entities, which are the clinic and the property business. Mrs. Reitz explained that they were legally advised to separate the business and property.

MOTION MADE BY RICHARD WEBER, SECONDED BY CHRIS CRAIN, TO APPROVE THE BUSINESS RETENTION AND EXPANSION PROGRAM FOR CUERO VETERINARY CLINIC, PLLC – KOBY REITZ IN THE AMOUNT OF \$10,000.00 FOR THE BUILDING IMPROVEMENTS AS PRESENTED IN THE APPLICATION. AYES: 7 NAYES: 0 MOTION CARRIED

CONSIDER AND ACT UPON AN APPLICATION FOR BUSINESS RETENTION AND EXPANSION PROGRAM FOR CAMILLE SMOLIK, SMOLIK’S QUALITY MEATS & BBQ

Mr. Kennedy stated that in working with Smolik’s it was suggested that all of their needs be taken care of at once through the Business Retention and Expansion Program. Those improvements include new lighting, an HVAC unit, a new website and logo, signage to match the new logo, and landscaping.

Mrs. Smolik said that the existing lighting was installed after the flood of ‘98, so she is eager to change it out with more energy efficient lighting that would help in cutting costs of the use of utilities. Mrs. Smolik thanked the Board for their consideration and noted that she was excited to start this project, as it would be a major step in competing with other local restaurants.

MOTION MADE BY RICHARD WEBER, SECONDED BY CHRIS CRAIN, TO APPROVE THE BUSINESS RETENTION AND EXPANSION PROGRAM FOR CAMILLE SMOLIK, SMOLIK’S QUALITY MEATS & BBQ IN THE AMOUNT OF \$7,696.86 FOR THE BUILDING IMPROVEMENTS AS PRESENTED IN THE APPLICATION. AYES: 7 NAYES: 0 MOTION CARRIED

CONSIDER AND ACT UPON AN APPLICATION FOR COMMUNITY SERVICES PROGRAM FOR CUERO FAIR AND TURKEY TROT ASSOCIATION

Mr. Kennedy said that Cuero Fair and Turkey Trot Association was seeking assistance for an inflatable entryway that would be placed at the front gate of Cuero Turkeyfest. A picture of the proposed project was included in the Board of Director’s package. Mr. Kennedy noted that the back portion of the inflatable entryway would include recognition of the Cuero Development Corporation.

Mrs. Rath thanked the Board for the grant fund during last years’ event. She said that the ticket booth and office were a great asset to the Turkeyfest grounds.

Mr. Charles Papacek questioned if the inflatable would be complete by October. Mrs. Rath stated that there would be a three week turnaround so there would be plenty of time to have the sign in.

Mr. Dennis Jemelka questioned if the inflatable would be anchored down. Mrs. Rath stated that Turkeyfest Board Members would secure the inflatable with anchors when the sign is erected.

MOTION MADE BY DENNIS JEMELKA, SECONDED BY DAVID SCOTT, TO APPROVE THE COMMUNITY SERVICES PROGRAM FOR CUERO FAIR AND TURKEY TROT ASSOCIATION IN THE AMOUNT OF \$3,500.00 FOR THE PURCHASING OF A NEW INFLATABLE SIGN FOR THE ENTRYWAY OF CUERO TURKEYFEST. AYES: 7 NAYES: 0

CONSIDER AND ACT UPON AN APPLICATION FOR BUSINESS RETENTION AND EXPANSION PROGRAM FOR JAMES E. TIMPONE DBA CUERO AUTOMOTIVE SERVICE AND REPAIR

Mr. Kennedy mentioned that Cuero Automotive Service and Repair has expanded their shop located on Highway 183 North as described in their grant application. The additional garage bay will allow for equipment such as: a tire machine, alignment rack, and a wheel balancer to service the tires that will be sold. Mr. Timpone mentioned that this endeavor has opened new doors for not only his business, but for the local community's sales tax dollars. Mr. James E. Timpone mentioned that there has been a shortage of local repair shops who utilize larger vehicle alignment lifts, the purchasing of the 18,000 lb. Hunter Vehicle Alignment lift would allow local heavy duty vehicles to be attended locally.

Mr. Dennis Jemelka questioned if Mr. Timpone currently does vehicle alignments and selling of tires. Mr. Timpone stated that Cuero Automotive currently sends the alignments out and tires have to be purchased elsewhere. With the new additions to the shop a stock of tires will be kept, but if there aren't a particular type available they can be received overnight.

Mr. Chris Crain questioned if the project was being paid for by Mr. Timpone or the property owner. Mr. Timpone stated that all work will be paid for by him.

MOTION MADE BY DENNIS JEMELKA, SECONDED BY RANDY JOCHIM, TO APPROVE THE BUSINESS RETENTION AND EXPANSION PROGRAM FOR JAMES E. TIMPONE DBA CUERO AUTOMOTIVE SERVICE AND REPAIR IN THE AMOUNT OF \$10,000.00 FOR THE PURCHASING OF AN 18,000 LB HUNTER VEHICLE ALIGNMENT LIFT.

RECEIVE AN APPLICATION FOR ENTERPRISE PROGRAM FROM GAETAN PELLETIER – THE TEXINN HOTEL

Mr. Kennedy stated that Mr. Gaetan Pelletier submitted an application for the Enterprise Program on August 1, 2018 for the first phase of The TexInn Hotel. Mr. Kennedy reiterated that there has been no commitment made to Mr. Pelletier as the application has just been received by staff. The process that has been followed in the past is to have a Public Hearing that allows the Board and public an opportunity to ask questions as they desire about the proposal. After the Public Hearing, if the Board approves continuing the process, the financial information is reviewed. If satisfactory to the CDC Budget subcommittee, a recommendation is made to the Board to develop the Performance Agreement. This five year contract lists the job performance for the CDC financial commitment. The City Council will then have two readings before a check is presented.

Mr. Richard Weber questioned if the application includes a timeframe of when the hotel plans to open. Mr. Kennedy stated that the application clearly states the timeframe of opening and the Board will have a physical copy of the application within the next few days.

Mr. Dennis Jemelka questioned if the City of Cuero would have to approve the grant application. Mr. Kennedy stated that by law, the City is required to give their "blessing" for the grant application, but the decision is up to the CDC Board.

Mr. Charles Papacek questioned what would happen in the event that no one from the public is present. Mr. Kennedy stated that no money is spoken for until all necessary steps are taken to ensure that the Board is ready to move forward with the application.

Mr. Chris Crain questioned if the Cuero Development Corporation has given money to The TexInn Hotel in previous years. Mr. Kennedy mentioned that Mr. Pelletier previously applied for a grant two years ago and went through the grant process, including the reviewing of financials and it was recommended that they move forward with the application. A Public Hearing was held, financials reviewed, and a Performance Agreement was in the works, but Mr. Pelletier did not move forward with the process.

It was recommended that Mr. Pelletier submit his financials to the CDC subcommittee and meet with the University of Houston-Victoria, Small Business Development Center to complete a business plan before holding a public hearing. Mr. Donald Jirkovsky of UHV-SBDC mentioned that the Enterprise Program application requires rigorous exploration of the financials to ensure that the CDC investment will be appropriate.

MOTION MADE BY MAYOR SARA POST MEYER, SECONDED BY DAVID SCOTT, THAT THE CUERO DEVELOPMENT CORPORATION RECEIVE THE APPLICATION FROM GAETAN PELLETIER, THE TEXINN HOTEL FOR THE ENTERPRISE PROGRAM AND TO ENCOURAGE THE CDC EXECUTIVE DIRECTOR TO MEET WITH MR. GAETAN PELLETIER TO FURTHER THE NEEDS OF THE GRANT APPLICATION. AYES: 7 NAYES: 0

There was a discussion about the September 17th meeting due to a conflict of the City Council meeting that is scheduled on that day. A meeting date will be announced at a later date.

CONSIDER AND ACT UPON APPROVAL OF THE FY 19-19 CDC PROGRAMS

Mr. Patrick J. Kennedy said that the Business Retention and Expansion Program, the Community Services Program, and the Entrepreneur Program were included in the agenda packet. The Entrepreneur Program has been limited to two pages and excludes the questionnaire that was included for FY 17-18 application, this exclusion will allow for the application to be more encouraging for prospective applicants. The Façade Program will be available before October 1st, as revisions are being done in coordination with the Cuero Main Street Board and the Enterprise will remain with no corrections.

Chris Crain mentioned that two changes needed to be made to the grant applications. Instead of (lessor), the grant application should read (lesser) and instead of (Director's) it should read (Directors').

MOTION MADE BY CHRIS CRAIN, SECONDED BY RICHARD WEBER, TO ACCEPT THE COMMUNITY SERVICES PROGRAM AND BUSINESS RETENTION AND EXPANSION PROGRAM AS WRITTEN, SUBJECT TO THE CORRECTIONS PRESENTED. AYES: 7 NAYES: 0

HEAR REPORT FROM MAYOR SARA POST MEYER IN REGARDS TO THE CUERO MUNICIPAL AIRPORT

Mayor Sara Post Meyer stated that the City Council voted to close the Cuero Municipal Airport in November, 2017. As a result of the closure, there is a group of individuals in the community who are concerned about shutting the air service down completely into the community. The group plans to utilize the Airport Study from 2014 to see if there is a possibility of relocating the airport. The City Council has given Mayor Meyer the authority to speak at the Commissioner's Court to see if the County is interested in the relocation of the airport and the building of a new facility. Mayor Meyer would like to have the Cuero Development Corporation's support in the project, as this would be an Economic Development project for DeWitt County. Mayor Meyer mentioned that the City airport is too short to allow jet planes to land, so the new location behind Pioneer Natural Resources would be able to handle a larger scale airport on the proposed 100 acres. The proposed airport will include a fuel station for jets and other planes, a resting area, and phone service. If the County agrees to support this project, the City will have to meet with State officials to see about releasing some of the land that the proposed airport would be located on. The first phase of the airport would include a 4,000 foot runway and in forthcoming years would expand to a 5,000 foot runway. A grant from TxDot will pay a significant portion of the airport and the City's cost would be around 1-1.5 million dollars. The City is hopeful that they can coordinate with local entities to support this project to benefit the community.

Mr. Dennis Jemelka questioned if Mayor Meyer felt that the proposed airport would be used sufficiently. Mayor Meyer stated that this would need to be a County effort to make it work. This project could potentially bring business to Cuero, as there are jets that land in Victoria periodically.

Mr. Randy Jochim questioned why the airport couldn't be placed on Highway 87. Mayor Meyer stated that in 2014 the land was very limited, so they approached Devon and they weren't interested in selling their land.

Mr. David Scott questioned what the estimated operating expenses would be for the proposed airport. Mayor Meyer stated that according to the 2014 study, it was suggested that the airport would need one airport manager and a business to operate on any repairs.

Mr. Richard Weber questioned if the air traffic that is projected to come into Cuero would be primarily for the oilfield. Mayor Meyer mentioned that the oilfield would contribute to the business, but there are other local businesses who use airways.

THE BOARD OF DIRECTORS DID NOT VOTE, BUT AGREED TO ALLOW MAYOR MEYER TO LET THE COMMISSIONER'S COURT KNOW THAT THE CDC IS AWARE OF THE PROPOSED AIRPORT AND THAT THEY SUPPORT THE FURTHER INVESTIGATION.

V. CONSENT AGENDA

Included in the director's agenda packets for review were: Regular Meeting Minutes, Monday, July 16, 2018, December Events Committee Regular Meeting Minutes, Wednesday, July 18, 2018, and the December Events Committee July Financial Report.

MOTION MADE BY MAYOR SARA POST MEYER, SECONDED BY RANDY JOCHIM, 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. It was reported that the sales tax remittance is still in good standing.
- 2) Discuss upcoming conferences/meetings – Mr. Patrick J. Kennedy will be attending Austin Live on August 30th, a Retail Live lunch and learn on August 30th, and the TEDC Annual Conference in October. Mr. Kennedy mentioned that the Team Texas Showcase would be held in Arlington this year, but the CDC does not plan to partake in this event.

The September 7th Community Leaders' Meeting guest speaker will be Henry Guajardo of the Golden Crescent Regional Planning Commission to be held at the Cuero Public Library, the October 5th Community Leaders' Meeting will be a State of the Community by City Manager – Raymie Zella, Judge Daryl Fowler, and Dr. Micah Dyer of the Cuero ISD to be held at the Cuero Public Library. The CDC has tentatively scheduled State Representative Geanie Morrison for the November 2nd Community Leaders' Meeting and Senator Lois Kolkhorst for the December 7th meeting. The CDC will reach out to U.S. Representative Filemon Vela at a later date for the January 4th meeting.

- 3) December Events Committee – It was reported that two contacts whom the DEC works closely with are retiring from the TDCJ-Stevenson Unit effective at the end of August. Warden Castro has guaranteed that the Community Squad will be available to assist with setting up behind the Cuero Lake during the last week in September. It was announced that the CDC Board will partake in assisting with donations at Santa's House on December 4th.
- 4) Current Projects – A copy of the current projects was included in the Board package. Mr. Kennedy mentioned that there are 26 total projects for the FY 17-18, that number includes the grants that were approved earlier in the meeting.

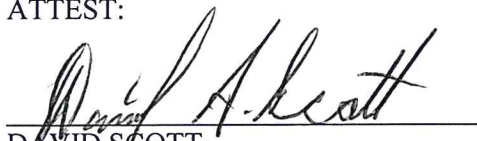
VII. ADJOURN

MOTION MADE BY DAVID SCOTT, SECONDED BY RANDY JOCHIM, TO ADJOURN THE MEETING AT 7:05 P.M. AYES: 7 NAYES: 0 MOTION CARRIED



CHARLES PAPACEK
PRESIDENT

ATTEST:



DAVID SCOTT
SECRETARY/TREASURER