

**MINUTES
CUERO DEVELOPMENT CORPORATION
REGULAR MEETING
MONDAY, JUNE 21, 2021 5:00 P.M.**

The Cuero Development Corporation Board of Directors met June 21, 2021, at 212 E. Main Street, Cuero, Texas.

PRESENT: Board Members: Richard Weber, Mayor Sara Post Meyer, Randy Jochim, David Scott, and Greg Freeman

ABSENT: Brian Gomez and Tyler McClellan

CDC STAFF: CDC Executive Director Bobby Seiferman and CDC Administrative Assistant Samantha Bayfus

GUESTS: Randy Boone & Sean Roberts, NestFresh; Viola Holamn, Tri-City Empowerment Council; Kent Nielsen; Annette Rath, Cuero Pecan House Café; Steve Van Manen, Harrison Waldrop, & Uherek; and Mike Weaver, Weaver & Jacobs Construction

I. CALL TO ORDER

President Richard Weber called the meeting to order at 5:00 P.M.

II. CITIZENS INPUT

None

III. MONTHLY FINANCIALS

Mr. Scott gave the financial report for the period ending May 31, 2021. Mr. Scott stated that he did not see any major changes in the financials and would recommend approval.

MOTION MADE BY GREG FREEMAN, SECONDED BY RANDY JOCHIM, TO ACCEPT THE MAY FINANCIAL REPORTS AS PRESENTED. AYES: 5 NAYES: 0 MOTION CARRIED UNANIMOUSLY

IV. BUSINESS

ANNUAL AUDIT REPORT FROM STEVE VAN MANEN, HARRISON, WALDROP, & UHEREK

Mr. Van Manen noted that as a result of the audit, Harrison Waldrop & Uherek have given the CDC a “clean opinion”, or statement determining that each financial document had no misrepresentations. Page 12 of the audit report included a statement of the CDC’s net position as of September 30, 2020. Included in this was 2.7 million in cash, \$86,000.00 from the uncollected sales tax remittance, and the 11.89 acreage. Mr. Van Manen commended the CDC Board on their exceptional handling of their budget and recognized the large amount of grants that have been funded by the CDC Board, especially during a pandemic.

HEAR UPDATE FROM NESTFRESH

Mr. Mike Weaver reported that NestFresh has acquired the City of Cuero’s property by the TDCJ-Stevenson Unit. Mr. Weaver noted that the facility will include a “design-build” contract. The building stage for the NestFresh facilities is around twenty-two (22) to twenty-four (24) weeks out, with an anticipated finish date in November, 2021. Discussions are taking place with Corporate over the final budget for the facility and these plans should be complete within a week or two. The building which currently consists of 20,000 sq. ft. of refrigeration space, 60,000 sq. ft. air conditioned environment for the working crews, parking, paving, ingress, and egress is valued around eleven (11) million dollars.

Mr. Scott questioned if NestFresh would consider holding a seminar in Cuero for people who would potentially be interested in the egg farms necessary for the plant to produce.

Mr. Boone stated that NestFresh would be open to hold a seminar in Cuero, upon completion of their build. There is an estimated 10.8 million eggs per week that will be produced in the facility.

CONSIDER AND ACT UPON AN APPLICATION FOR BUSINESS RETENTION AND EXPANSION PROGRAM FOR CUERO LUBE & TIRE LLC., 1000 E. COURTHOUSE STREET

Mr. Seiferman presented this item to the Board on behalf of the Oakes family. Mr. Seiferman noted that Cuero Oil & Lube, LLC. is seeking assistance for the purchase of machinery to include: a rolling jack, a ramp kit, rolling oil drains, a tire combo machine, and a lift.

Mr. Seiferman mentioned that the Oakes family has been working diligently with Mr. Nielsen, property owner of 1000 E. Courthouse.

MOTION MADE BY GREG FREEMAN, SECONDED BY RANDY JOCHIM, TO APPROVE THE BUSINESS RETENTION AND EXPANSION PROGRAM FOR CUERO LUBE & TIRE, LLC. IN THE AMOUNT OF UP TO \$10,000.00 FOR THE PARKING LOT IMPROVEMENTS, CONTINGENT UPON A COMPLETE LEASE AGREEMENT BY BOTH PARTIES TO BE COMPLETED BY THE END OF SEPTEMBER, 2021. AYES: 5 NAYES: 0 MOTION CARRIED UNANIMOUSLY.

CONSIDER AND ACT UPON AN APPLICATION FOR MAIN STREET HISTORICAL DISTRICT FAÇADE PROGRAM FOR CUERO PECAN HOUSE CAFÉ, 114 S. ESPLANADE

CONSIDER AND ACT UPON AN APPLICATION FOR BUSINESS RETENTION AND EXPANSION PROGRAM FOR CUERO PECAN HOUSE CAFÉ, 114 S. ESPLANADE

Mr. Seiferman mentioned that Mrs. Rath has submitted an application for Main Street Historical District Façade Program and for a Business Retention and Expansion Program. Mr. Seiferman stated that the CDC Board has approved two applications for one applicant in the past, but at two separate meetings. Staff recommended that the board consider approving the two applications submitted because the work is being done to a building that is located within the historic district and the building has been vacant for quite some time. The renovations specified in both applications will amplify South Esplanade Street. Mrs. Rath plans to open the establishment by early August, 2021. The first phase will be opening the café, the second phase will consist of the opening of the market, and the third phase will be the opening of the meat market on the West Main Street entrance.

The Main Street Historical District Façade application was submitted to improve the front, side, and rear façade of the building located at 114 S. Esplanade. Improvements will include new paint and trimming, new doors, signage, and windows.

The Business Retention and Expansion application was submitted to improve the interior of the building with new paint and trimming, updated lighting and fans, flooring improvements, a new workstation Point of Sale system, and a TV/digital display of the menu.

Mr. Freeman questioned if Cuero Pecan House Café plans to be open in the evenings. Mrs. Rath stated that the current plans include a Monday through Saturday day time schedule. Pop up classes with chefs will return in the evenings at a later date.

Mayor Meyer questioned if the doorway will be handicapped accessible. Mrs. Rath stated that the door has been adjusted to meet these needs.

MOTION MADE BY DAVID SCOTT, SECONDED BY GREG FREEMAN, TO APPROVE THE MAIN STREET HISTORICAL DISTRICT FAÇADE PROGRAM FOR CUERO PECAN HOUSE CAFÉ IN THE AMOUNT OF UP TO \$10,000.00 FOR THE IMPROVEMENTS AS SPECIFIED IN THE APPLICATION. MR. SCOTT ALSO MOTIONED TO APPROVE THE BUSINESS RETENTION AND EXPANSION PROGRAM FOR CUERO PECAN HOUSE CAFÉ IN THE AMOUNT UP TO \$8,534.76 FOR THE IMPROVEMENTS AS SPECIFIED IN THE APPLICATION TO BE COMPLETED BY THE END OF SEPTEMBER, 2021. AYES: 5 NAYES: 0 MOTION CARRIED UNANIMOUSLY

CONSIDER AND ACT UPON AN APPLICATION FOR COMMUNITY SERVICES PROGRAM FOR TRI-CITY EMPOWERMENT COUNCIL

Mrs. Viola Holman presented this item to the Board. Mrs. Holman mentioned that the Back to School Bash will be held on August 7, 2021 at the Cuero Municipal Park. The Tri-City Empowerment Council has decided to once again partner with local organizations to revamp and broaden the Back to School Bash to include over 1,500 backpacks with supplies. Mrs. Holman expressed her concern that a lot of families still may not have the funding to provide school supplies for their children due to loss of employment throughout the pandemic.

Mayor Meyer mentioned that she has witnessed the excitement from the children that have received a backpack from the Back to School Bash in the previous years. Mayor stated that having the CDC's logo on the backpacks has been good PR in getting the name out and allowing parents to understand that the CDC is invested in the community.

It was suggested that the CDC's logo be included on some of the backpacks. Mrs. Holman assured the Board that she would follow any direction that is given to her.

Mr. Jochim questioned if the Board was able to change the grant amount to be equivalent to 50% of the total cost, not to exceed \$8,000.00. Mr. Seiferman noted that the application could be revised to reflect 50% of the \$16,000.00 application instead of the requested \$3,000.00.

MOTION MADE BY RANDY JOCHIM, SECONDED BY GREG FREEMAN, TO APPROVE THE COMMUNITY SERVICES PROGRAM FOR TRI-CITY EMPOWERMENT COUNCIL IN THE AMOUNT OF UP TO \$8,000.00 FOR THE 2021 BACK TO SCHOOL BASH TO BE COMPLETED BY THE END OF SEPTEMBER, 2021. AYES: 5 NAYES: 0 MOTION CARRIED UNANIMOUSLY

CONSIDER AND ACT UPON AN APPLICATION FOR BUSINESS RETENTION AND EXPANSION PROGRAM FOR KENT NIELSEN, 1000 E. COURTHOUSE STREET

Mr. Seiferman noted that Mr. Nielsen, property owner of 1000 E. Courthouse Street, is seeking assistance for concrete work for the parking lot improvements.

Mr. Nielsen thanked the Board for their time and consideration. Mr. Nielsen stated that in working with the Oakes', it was determined that a new parking lot would benefit their business. The Oakes' have committed to sign a twenty-five (25) year lease agreement with Mr. Nielsen for the property.

Mr. Jochim questioned if Mr. Nielsen owned the land. Mr. Nielsen stated that he owns the land and the building that Cuero Oil & Lube, LLC. will occupy.

Mr. Freeman questioned if Mr. Nielsen considered using a local vendor for the work being done. Mr. Nielsen stated that he has used as many local vendors as possible, but he is not sure why his contractor chose an Aransas Pass vendor.

MOTION MADE BY GREG FREEMAN, SECONDED BY RANDY JOCHIM, TO APPROVE THE BUSINESS RETENTION AND EXPANSION PROGRAM FOR KENT NIELSEN IN THE AMOUNT OF UP TO \$10,000.00 FOR THE PARKING LOT IMPROVEMENTS AS SPECIFIED IN THE APPLICATION, CONTINGENT UPON A COMPLETE LEASE AGREEMENT BY BOTH PARTIES TO BE COMPLETED BY SEPTEMBER, 2021. AYES: 5 NAYES: 0 MOTION CARRIED UNANIMOUSLY

RECEIVE FY 2021-2022 BUDGET

Mr. Seiferman stated that the budget worksheet included in the agenda packet was compiled by the Budget Committee. This worksheet included the suggested changes for the purchase of the land, but any further suggestions would be considered. Mr. Seiferman noted that upon completion of the Public Hearing in July, the budget will be submitted to Cuero City Council for approval by two readings in August and September, 2021.

Mayor Meyer questioned what was included in the staff development line item. Mr. Seiferman noted that staff development includes magazine and newspaper subscriptions, dues, memberships, and conferences for professional organizations.

Mayor Meyer stated that Cuero City Council voted to approve a five (5) percent cost of living salary increase for all City employees. Mayor Meyer questioned if an amendment would be necessary so that the five (5) percent increase would reflect upon the CDC's salary line item. Mr. Seiferman indicated that he did not anticipate that a budget amendment was necessary for the remainder of the fiscal year.

V. CONSENT AGENDA

Included in the director's agenda packets for review were: Regular Meeting Minutes, Monday, May 24, 2021, December Events Committee Regular Meeting Minutes, Wednesday, May 26, 2021, and the December Events Committee May Financial Report.

MOTION MADE BY GREG FREEMAN, SECONDED BY MAYOR SARA POST MEYER, TO ACCEPT THE CONSENT AGENDA AS PRESENTED. AYES: 5 NAYES: 0 MOTION CARRIED UNANIMOUSLY

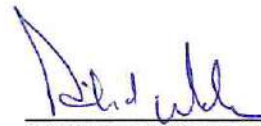
VI. EXECUTIVE DIRECTOR REPORT

- 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 has decreased by 9.75% for the calendar year and has decreased by 5.47% for the fiscal year.
- 2) Community Leaders' Meeting – Mr. Seiferman noted that the Community Leaders' Meetings will resume in August, 2021. The meetings will be held on the 2nd Friday of each month at 7:30 A.M.
- 3) Discuss upcoming conferences/meetings – Mr. Seiferman mentioned that the TEDC Mid-Year Conference in Frisco was well attended and he was able to network with EDC's from around the State.
- 4) December Events Committee – The DEC has rescheduled their upcoming meeting on Wednesday, June 23rd.
- 5) Project Status – A copy of the current projects was included in the agenda packet.

Mr. Scott expressed his concerns that the CDC has overcommitted funds to future projects. It was suggested that the CDC delay any further project commitments until the start of the new fiscal year.

VII. ADJOURN

MOTION MADE BY DAVID SCOTT, SECONDED BY GREG FREEMAN, TO ADJOURN THE MEETING AT 6:28 P.M. AYES: 5 NAYES: 0 MOTION CARRIED UNANIMOUSLY



RICHARD WEBER
PRESIDENT

ATTEST:



DAVID SCOTT
SECRETARY/TREASURER