

MINUTES
CUERO DEVELOPMENT CORPORATION
REGULAR MEETING
Monday, July 24, 2017 5:30 P.M.

The Cuero Development Corporation Board of Directors met Monday, July 24, 2017, 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, Executive Director, Patrick J. Kennedy, and CDC Administrative Assistant, Samantha Solis

GUESTS: Greg Gossett & 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 JUNE FINANCIAL REPORT

Mr. Patrick J. Kennedy gave the financial report for the period ending June 30, 2017.

MOTION MADE BY DENNIS JEMELKA, SECONDED BY RANDY JOCHIM, TO ACCEPT THE JUNE FINANCIAL REPORT AS PRESENTED. AYES: 7 NAYES: 0 MOTION CARRIED.

IV. BUSINESS

CONSIDER AND ACT UPON AN APPLICATION FOR BUSINESS RETENTION AND EXPANSION PROGRAM FOR ALLIED FEEDS/FUL-O-PEP, 208 HUTCHESON

Mr. Kennedy presented this item to the Board noting that the previous grant application from Ful-O-Pep Feeds has been complete and paid out. Mr. Gossett thanked the Board for their time and consideration. He stated that the roof at 208 Hutcheson is currently in need of being replaced. The new roof will help with the grain bends that are under most of the current roof. There have also been issues with leaking throughout the bends and it is in the best interest of the feed mill that their roof has a complete renovation.

MOTION MADE BY RICHARD WEBER, SECONDED BY DAVID SCOTT, TO APPROVE THE BUSINESS RETENTION AND EXPANSION PROGRAM FOR FUL-O-PEP/ALLIED FEEDS, IN THE AMOUNT OF \$10,000 FOR THE REPLACEMENT OF THE ROOF. AYES: 6 NAYES: 0 DENNIS JEMELKA RECUSED HIMSELF FROM THE MOTION MOTION CARRIED.

REVIEW AND DISCUSS DRAFT APPLICATION FOR ENTREPRENEUR PROGRAM FOR FY 2017-2018 AS PRESENTED BY THE UHV-SBDC

Mr. Kennedy presented this item to the Board noting that the draft copy of the application was included in the agenda package. The requested changes were added in red and any additional suggestions are encouraged to be turned in to the Executive Director. The first page of the application are the guidelines that were provided by the UHV-SBDC, once the applicant has met all requirements, they will then be referred to the CDC and will be able to submit an application for approval with the UHV-SBDC letter of compliance. The application will be one page with matching funds of up to \$10,000 available.

Chris Crain questioned the wording of "up to \$10,000." Mr. Kennedy explained that it's 50% of the total cost of \$20,000, so a maximum contribution from the CDC of \$10,000.

Mr. Crain suggested that the wording read "this program is designed for a grant of up to the lesser of \$10,000 or 50% of the total cost."

Mr. Papacek questioned the amount of \$18,750 in the budget and the amount of projects this would cover.

Mr. Kennedy explained that in the initial application, there was a maximum of \$6,250 that the applicant would be eligible for covering three projects, but after changes to the program, it was suggested that the maximum be raised to \$10,000. Mr. Kennedy reassured the Board that at any time, the budget may be amended to add more monies to the Entrepreneur Program fund.

Mr. Papacek questioned the line that states that the ETJ will also be included in the receiving of applications. He mentioned that in his recollections, this would require approval from the county, since this is their jurisdiction.

Mr. Crain questioned the line that states "participation in with the UHV-SBDC program is not limited to qualified applicants."

It was explained that this refers to the moving on with the grant process. Qualified applicants will begin the application process; non-qualified applicants will continue their work with the SBDC.

Mayor Meyer questioned the line on the application that states "statement from contractors that work is complete." Her concern was that the money could have been used to do building improvements that weren't done correctly and it could come back on the CDC. Mr. Kennedy stated that because the contractor works for the applicant, that does not make the CDC liable.

Mr. Scott questioned why bankers and financial entities were unable to apply for this grant. Donald Jirkovksy stated that the suggested guidelines were those from the Small Business Administration.

Mr. Kennedy mentioned that all suggestions would be added for the final program application and in August it would be an action item for the Board.

HEAR REPORT FOR THE FY 2017-2018 BUDGET AND RECOMMEND APPROVAL OF BUDGET AND WORK PROGRAM FOR SUBMISSION TO THE CITY COUNCIL

Mr. Kennedy presented this item to the Board. The budget has not changed from the initial proposal. The Park's Department line item is now the Downtown Renovation line item. The Executive Director is working with City personnel to accommodate their needs for the money. The Business Retention and Expansion Program has been allocated \$60,000 and the Entrepreneur Program has \$18,750. The last change was that the December Events Committee is utilizing \$15,000 of their reserves to be able to promptly switch over to LED lighting.

The Work Program for the FY 2017-2018 includes the development of a one year Strategic Economic Development Plan and an overview of the programs that the CDC offers.

Mr. Kennedy will attend the City Council meeting on July 25, 2017 to present the Budget and Work Program along with the spreadsheet of the 22 completed projects.

MOTION MADE BY DAVID SCOTT, SECONDED BY CHRIS CRAIN, TO APPROVE THE FY 2017-2018 BUDGET AND WORK PROGRAM FOR SUBMISSION TO THE CITY COUNCIL. AYES: 7 NAYES: 0 MOTION CARRIED.

CONSIDER AND DISCUSS ESTABLISHING AN INVESTMENT POLICY.

The Cuero Development Corporation does not currently have an investment policy, so the CDC Executive Director is seeking assistance from other EDC's on a policy within their corporation. The City of Cuero is currently making changes to their policy and the CDC will work with them on any input given.

CONSIDER AND ACT UPON AS APPROPRIATE REGARDING THE DEPOSIT OF EXISTING AND FUTURE CDC REVENUE TO A CITY RESTRICTED FUND IN ORDER TO QUALIFY AS PLEDGED ASSETS BY THE BANK

Mr. Kennedy presented this item to the Board. Due to the concerns by the auditors, it was suggested that the Cuero Development Corporation move their money in order to be covered by the FDIC. The ED spoke with TrustTexas Bank about getting a certificate of deposit, although this is an option, TrustTexas Bank would rather not have the CDC as their first clients to try this method.

Chris Crain expressed his concerns over putting the CDC monies into a City Restricted Fund. He was uneasy about the money claiming issues that may arise with time. He then suggested that the CDC divide their money within the local banks of Cuero and add the remainder to TXPool. David Scott was in agreement of this option.

Mr. Kennedy's suggestion was that the CDC just go with TXPool because of the uncertainties with the Board.

Mayor Meyer asked what protected the investments within TxPool. David Scott said that there are very specific securities that back the investments put within their system.

MOTION MADE BY RICHARD WEBER, SECONDED BY RANDY JOCHIM, TO PUT TOGETHER AN INVESTMENT POLICY COMMITTEE THAT CONSISTS OF CHRIS CRAIN, CHARLES PAPACEK, AND DAVID SCOTT . AYES: 7 NAYES: 0 MOTION CARRIED.

APPROVE SUBMISSION OF POWER-UP GRANT FROM GVEC FOR THE COMPLETION OF LED CONVERSION FOR CHRISTMAS IN THE PARK

Mr. Kennedy commented that the December Events Committee (DEC) is using their reserves this year to help fund this project. The goal of the DEC is to be 100% converted to LED lighting in three years. The CDC/DEC will ask for assistance from GVEC in the amount of \$20,000 for the conversion of lighting. If funded, this will allow the conversion to LED bulbs to be accomplished in two years.

MOTION MADE BY RICHARD WEBER, SECONDED BY RANDY JOCHIM, TO APPROVE THE SUBMISSION TO GVEC FOR THE POWER-UP GRANT BY THE CDC/DECEMBER EVENTS COMMITTEE. AYES: 7 NAYES: 0 MOTION CARRIED.

AUTHORIZE PAYMENT TO PARTAKE IN THE “DEWITT COUNTY COMMUNITY CONVERSATION” MEAL

The DeWitt County Ag Extension office asked for the assistance of the CDC to help pay for the meal that was provided at the DeWitt County Community Conversation meeting after the Board had already met. The Executive Director explained that Cuero, Nordheim, Yoakum, and Yorktown plan to share the bill equally.

MOTION MADE BY RICHARD WEBER, SECONDED BY DAVID SCOTT, TO APPROVE THE PAYMENT TO PARTAKE IN THE “DEWITT COUNTY COMMUNITY CONVERSATION” MEAL IN THE AMOUNT OF \$153.75. AYES: 7 NAYES: 0 MOTION CARRIED

RECEIVE THE CERTIFICATE OF ACHIEVEMENT FOR ECONOMIC EXCELLENCE FROM THE TEXAS ECONOMIC DEVELOPMENT COUNCIL

Mr. Kennedy thanked the CDC Board and staff for their ongoing efforts to stay up to date on required trainings and credit hours. This is the third consecutive year that the CDC has received the Certificate of Achievement for Economic Excellence. A picture was taken upon receiving the award.

PRESENTATION OF 2ND QUARTER, 2017 (APRIL – JUNE) QUARTERLY REVIEW (PAGE 82)

A copy of the 2nd Quarter review was included in the agenda pack, although some Action Items weren't fit to what the CDC wishes to accomplish, those needs will be assessed at a later time.

Mr. Weber commented on the needs of the Strategic Plan and mentioned that in his opinion, some items were the needs of people of the community not so much what Cuero needed, but noted that with the transparency of being in the paper the public has been given a better idea of what the CDC does.

Mr. Jemelka commented that the long term plans aren't accurate because the communities change so much within that period.

V. CONSENT AGENDA

Included in the director's agenda packets for review were: Regular Meeting Minutes, Monday, June 26, 2017 and December Events Committee June Financial Report.

MOTION MADE BY RICHARD WEBER, 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. The sales tax increased by 2% for the period.
- 2) Discuss upcoming Community Leaders' Meeting – The guest speaker for August 4th will be Robert G. Beard, Warden – TDCJ-Stevenson Unit, the guest speaker for September 1st will be Micah Dyer, Superintendent-Cuero ISD, and an invitation has been sent to Commissioner Sid Miller for the October or November meeting.
- 3) Discuss upcoming conferences/meetings – Mr. Kennedy will be attending the TeamTexas EAIC Road Trip 2017 on Thursday, July 27th and on August 1st he will attend a TeamTexas Conference in Arlington.
- 4) December Events Committee – It was reported that the DEC has been working diligently and have been working on finalizing the GVEC Power-UP grant.
- 5) Current Projects – A copy of the current projects was included in the agenda package, there are a total of 22 projects complete to date.

VII. ADJOURN

MOTION MADE BY RICHARD WEBER, SECONDED BY CHRIS CRAIN, TO ADJOURN THE MEETING AT 6:35 P.M. AYES: 7 NAYES: 0 MOTION CARRIED



CHARLES PAPACEK
PRESIDENT

ATTEST:



DAVID SCOTT
SECRETARY/TREASURER