

MINUTES
CUERO DEVELOPMENT CORPORATION
REGULAR MEETING
Monday, September 16, 2019 5:30 P.M.

The Cuero Development Corporation Board of Directors met Monday, September 16, 2019, at 207 E. Main Street, Cuero, Texas.

PRESENT: Board Members: Richard Weber, Greg Freeman, Tyler McClellan, Chris Crain, Mayor Sara Post Meyer, Randy Jochim, David Scott, CDC Executive Director Patrick J. Kennedy, and CDC Administrative Assistant Samantha Bayfus

GUESTS: Donald Jirkovsky – UHV-SBDC and Charles & Samantha Sutton – Scrub-A-Dub Car Wash, LLC

I. CALL TO ORDER

President Richard Weber called the meeting to order at 5:30 P.M.

II. CITIZENS INPUT

None

III. MONTHLY FINANCIALS

Mr. Scott gave the financial report for the period ending August 30, 2019. Mr. Kennedy noted that Page 2 of the financial report does not reflect the transfer in the amount of \$250,000, but all accounts are in good standing.

The total revenue over/(under) expenditures was (\$62,880) and the fund balance was \$2,938,116.70.

MOTION MADE BY RANDY JOCHIM, SECONDED BY GREG FREEMAN, TO ACCEPT THE AUGUST FINANCIAL REPORTS AS PRESENTED. AYES: 6 NAYES: 0 MOTION CARRIED UNANIMOUSLY

IV. BUSINESS

CONSIDER AND ACT UPON AN APPLICATION FOR BUSINESS RETENTION AND EXPANSION PROGRAM GRANT FOR SCRUB-A-DUB, LLC

Mr. Kennedy mentioned that Mr. Sutton is seeking assistance to install two new car wash bays and two new vacuum bays. The expansion of the car wash located at 1302 N. Esplanade will allow for Scrub-A-Dub, LLC to employ one person to maintain both the car wash where a vending machine will be installed to generate sales tax dollars and the Scotch Plaid car wash products.

Mr. Crain questioned when the vending machine will be installed. Mr. Sutton stated that the vending machine will be installed upon completion of the cement slab.

Mr. Crain questioned what portion of Scrub-A-Dub's income will be generated by the vending machine. Mr. Sutton explained that the income hasn't yet been determined at this time, but he reiterated that sales tax will also be generated by the sales from the Scotch Plaid products.

Mr. Freeman questioned if the Scotch Plaid products would be based out of Cuero and if the new bays would be suitable for taller vehicles such as campers or large trucks. Mr. Sutton mentioned that the car wash and soap products will all be run through Scrub-A-Dub, LLC based out of Cuero and the car wash would have taller tops to the bays to accommodate larger vehicles.

MOTION MADE BY GREG FREEMAN, SECONDED BY DAVID SCOTT, TO APPROVE THE BUSINESS RETENTION AND EXPANSION PROGRAM FOR SCRUB-A-DUB IN THE AMOUNT OF UP TO \$10,000.00 TO BE UTILIZED TOWARDS THE INSTALLATION OF CONCRETE AT 1302 N. ESPLANADE. AYES: 6 NAYES: 0 MOTION CARRIED UNANIMOUSLY

AUTHORIZE NAMES FOR SIGNATURE CARDS TO CUERO NATIONAL BANK AND RENEW CERTIFICATE OF DEPOSIT

Mr. Kennedy noted that the term has expired for the Certificate of Deposit #45984 from Cuero National Bank and the CDC has ten days to renew or cancel the CD. Due to the limitations of the FDIC the CDC is not allowed to hold more than \$250,000 in any one entity to ensure that funds are insured. It was suggested that CDC renew this CD in the amount of \$240,000 at a rate of 2.15% and that the remaining \$8,486.59 that was generated from interest be moved to the CDC's bank account at TrustTexas Bank.

Mr. Crain questioned if the CDC would have any problems with staggering the CD's and how it would benefit the CDC. Mr. McClellan stated that there would be no financial gain by doing so.

Mr. McClellan questioned if the CDC was allowed to invest for more than one year at any financial institution. Mr. Crain mentioned that the CDC would have to go back and examine the CDC's Investment Policy as there may be limitations on term limits.

MOTION MADE BY TYLER MCCLELLAN, SECONDED BY GREG FREEMAN, TO REMOVE CHARLES W. PAPACEK AND DENNIS JEMELKA FROM THE CUERO NATIONAL BANK CD #45984, LEAVING CHRIS CRAIN, RANDY JOCHIM, AND RICHARD WEBER AS AUTHORIZED SIGNERS ON SAID CD.

THE CDC BOARD FURTHER AGRESS TO RENEW CD #45984 AT \$240,000 FOR 11 MONTHS. THE REMAINING \$8,486.59 WILL BE DISTRIBUTED AS A CASHIER'S CHECK MADE PAYABLE TO THE CDC. AYES: 6 NAYES: 0 MOTION CARRIED UNANIMOUSLY

APPROVE EXTENSION OF EXISTING PROJECTS

Mr. Kennedy stated that all projects have been complete for the year, besides DeWitt County Farm Bureau. Mr. Kennedy suggested that the Board give them an extension until December 31, 2019. Mr. Kennedy also mentioned that in speaking with Wes Dukes, the CDC was made aware that they have done a change order on the contracted painter. Mr. Dukes questioned about changing the landscaping, but Mr. Kennedy advised that the contract specifies each line item and any additions would not count towards the full contract amount.

MOTION MADE BY CHRIS CRAIN, SECONDED BY RANDY JOCHIM, TO APPROVE A PROJECT EXTENSION UNTIL DECEMBER 31, 2019 FOR DEWITT COUNTY FARM BUREAU. AYES: 6 NAYES: 0 MOTION CARRIED UNANIMOUSLY

CONSIDER AND ACT UPON FY 19-20 CDC GRANT APPLICATIONS

Mayor Meyer joined the CDC meeting during the discussion of the grant applications.

Mr. Kennedy noted that the Enterprise Program Grant Application was not included in the agenda package, but no changes were made. A new application has been established for prospective applicants whom have all visited with the CDC on their interest in receiving funds in excess of \$10,000. Mr. Kennedy noted that the "Major Projects" grant application will be presented to the Chisholm Trail Heritage Museum for their project at the English-German School House, The City of Cuero for their Downtown Revitalization Project, and the Friar Ag Center. This application is not a guarantee of funds, but meets the requirement for a Public Hearing that was approved in the adoption of the CDC's FY 19-20 budget. The Business Retention and Expansion Program and the Community Services Program applications have been updated to reflect the dates of the upcoming fiscal year and the Main Street Historical District Façade Program has remained the same.

There was a brief discussion on whether the Business Retention and Expansion Program application should be referred to as the "Existing Business Incentives" Program, as stated in the Implementation Guide presented by Opportunity Strategies, LLC. Mr. Kennedy noted that there would not be a difference in changing the name of the program, but prospective applicants may take offense to referring to the program as an incentive. It was suggested that the program be kept as the Business Retention and Expansion Program for the upcoming fiscal year.

The programs will be listed on the CDC website and social media outlets beginning on 9-17-19 and will be available for pickup at the CDC office.

MOTION MADE BY CHRIS CRAIN, SECONDED BY GREG FREEMAN, TO APPROVE THE FISCAL YEAR 19-20 GRANT APPLICATIONS AS PRESENTED. AYES: 7 NAYES: 0 MOTION CARRIED

APPOINT COMPENSATION COMMITTEE

As part of Mr. Kennedy's annual evaluation in May, it was recommended that Mr. Kennedy be given an incentive on goals that were met, as recommended by Opportunity Strategies, LLC. The Strategic Plan has been received by the CDC Board members and a committee will be formed to determine what goals shall be met by the Executive Director. Randy Jochim, Tyler McClellan, and David Scott were assigned to the Compensation Committee.

DISCUSS AND TAKE POSSIBLE ACTION ON THE ECONOMIC DEVELOPMENT PLAN FROM OPPORTUNITY STRATEGIES, LLC

As a result of the presentation of the Cuero Development Corporation's 2019-2021 Strategic Plan presented by Alysia Cook of Opportunity Strategies LLC, the Target Industry Analysis presented by Insyteful, and the document presented by Retail Attractions, LLC at the August 19th Board of Directors' Meeting, a lengthy discussion took place. Those points highlighted during the meeting included real estate listings within the City, the point of contact for real estate, the CDC's role in working with the Cuero ISD, the CDC's current website and its' content, and the CDC's programs and their benefits. Upon completion of the discussion, it was decided that the CDC Board would hold a planning session on October 1st to determine the changes that would be presented to Ms. Cook for the final copy of the Strategic Plan. Each Board Member was given a goal, as presented in the Implementation Guide to create any changes, if necessary.

CONSENT AGENDA

Included in the director's agenda packets for review were: Regular Meeting Minutes, Monday, August 19, 2019, the December Events Committee Regular Meeting Minutes, August 21, 2019, and the December Events Committee August 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 UNANIMOUSLY

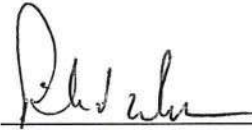
V. EXECUTIVE DIRECTOR REPORT

- 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 increased by nearly 2% for the month and decreased 1% for the fiscal year.
- 2) Community Leaders' Meeting – Mr. Kennedy mentioned that the October 4th Community Leader's Meeting guest speaker will be Mark Willis, Economic Development Manager – Lower Colorado River Authority and the November 1st guest speaker will be Warden Corey Furr of the TDCJ-Stevenson Unit.
- 3) Discuss upcoming conferences/meetings – Mr. Kennedy will attend the ARCIT Conference in Georgetown on September 24th-26th and the Texas Economic Development Council's Annual Meeting in San Antonio on October 9th-11th.
- 4) December Events Committee (DEC) – It was reported that the December Events Committee meeting will be on September 18th. A letter was sent out to solicit for volunteers to assist with donations at the end of the driving tour.
- 5) Current Projects – It was reported that Mr. Pelletier of the TexInn Hotel has withdrawn his application for the current fiscal year. Mr. Pelletier has expressed an interest in applying for a new grant application in the near future and a new

application will be required at that time. DeWitt County Farm Bureau has not complete their project and an extension was granted for their project.

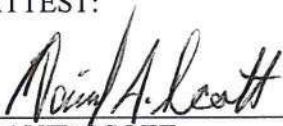
VI. ADJOURN

MOTION MADE BY DAVID SCOTT, SECONDED BY GREG FREEMAN, TO ADJOURN THE MEETING AT 7:42 P.M. AYES: 7 NAYES: 0 MOTION CARRIED UNANIMOUSLY



RICHARD WEBER
PRESIDENT

ATTEST:



DAVID SCOTT
SECRETARY/TREASURER