

**CITY DEVELOPMENT CORPORATION OF EL CAMPO**  
**REGULAR MEETING**  
**November 16, 2009**

Board Members Present: Gwen Willis, Alan Heskamp, Bobby Perez, Wesley Lange, Randy Collins

Staff Present: Chandra Spenrath, Executive Director; Jessica Thane, Executive Assistant

Others Present: Ken Shanks, AIA Architecture; Gordon Sorrell, Northside Education Center and Texas Insurance; David Wendt, Linda Raun and Leeanna Shimek, Northside Education Center; Paul John Herrmann, III, Herrmann and Associates and El Campo Economic Development Corporation; Cecil Davis, El Campo Economic Development Corporation; Richard Young, El Campo City Council; John Schmermund, BLS Construction; Leigh Ann Collins, Wharton County Junior College.

1. President Willis called the Meeting to order and noted a QUORUM at 3:03 pm.
2. Northside Education Center made a proposal regarding Phase III.

Northside Education Center Director Leeanna Shimek and Northside Center Board Members Gordon Sorrell and Linda Raun gave a brief overview of the Center, including the Mission and History of the Northside Center. NEC Director Shimek reported that the Center is restricted on space, the largest classroom holds a maximum of 30 people and the classrooms are booked daily. The GED class was relocated from the old Band Hall to the Center, the WCJC and ECHS dual enrollment classes are held at the Center, along with other continuing education opportunities. Phase III would allow for the expansion of the Center and the capability of holding additional classes. Ms. Shimek reported that NEC has applied for several grants, but due the weak economy many Foundations have cut back their donations. The grants that have been committed total \$417,000. \$150,000 of the committed grants is earmarked for the remodel of the old band hall for the ECISD DAEP/Choice Program. The remaining \$267,000 of the committed grant money is earmarked for Phase III of the Northside Center. \$251,612 will still be needed to for Phase III.

Vice President Bobby Perez questioned if the Northside Center project could be handled as a 4A project, or if it would need to be considered as a 4B project. Executive Director Spenrath stated that she consulted Attorney Ronny Collins regarding that matter and he was going to research it.

After some discussion, the Board of Directors agreed that consideration of the Northside Center project would be contingent on the response from Attorney Ronny Collins regarding the 4A or 4B status of the project.

3. Insurance renewal for the Cardell Blue Creek building was on the Agenda for review, discussion and possible action.

Included in the Board Packet was the renewal of insurance with Union Standard Insurance Company for the Cardell Blue Creek building and a bid for insurance from Scottsdale Insurance Company.

President Gwen Willis asked how the insurance renewal is usually handled. Executive Assistant Jessica Thane replied that the renewal is sent to the CDC office, then is scanned in and sent to P.J. Herrmann on behalf of the El Campo Economic Development Corporation. The El Campo EDC then sends their half of the payment for the insurance.

P.J. Herrmann stated that the Union Standard renewal increased by \$4,000, so he sent the policy out for bid through his agency and received the Scottsdale quote. Mr. Herrmann felt the Scottsdale quote offered adequate coverage at a competitive rate.

After further discussion, Wesley Lange made the MOTION to proceed with the bid from Scottsdale Insurance Company. Randy Collins Seconded the Motion and it passed 4-1, with Wesley Lange, Randy Collins, Bobby Perez, and Alan Heskamp voting For, and Gwen Willis voting Against.

4. Proposals for the Annual Financial Audit of the CDC were in the Board Book for review and consideration.

Executive Director Chandra Spenrath stated as good business practice, it is recommended to change Auditors every 5-10 years. Baker, Stogner & Associates has audited the CDC since the origination of the Corporation in 1992. After checking with other communities and municipalities, Audit proposals were sought from the three recommended CPA firms. Two submitted proposals; Harrison, Waldrop & Uherek located in Victoria and PS Stephenson & Co. located in Wharton. The third accounting firm was contact twice for a proposal, but no response was received. Executive Director Spenrath recommended Harrison, Waldrop and Uherek, because they are currently auditing the City and very familiar with the CDC as being part of the City of El Campo. The Board expressed concern of using an Auditing firm located outside of El Campo, and Executive Director Spenrath explained that the CDC is limited to government certified auditors.

MOTION was made by Randy Collins to accept the bid from Harrison, Waldrop and Uherek L.L.P. out of Victoria, Texas for the Annual Financial Audit for the City Development Corporation of El Campo. The Motion was Seconded by Bobby Perez and passed unanimously.

5. The minutes from the Regular Meeting of October 26, 2009 were in the Board Book for approval.

Wesley Lange made the MOTION to approve the minutes of the Regular Meeting held on October 26, 2009 as presented. The Motion was Seconded by Alan Heskamp and it passed unanimously.

6. The minutes from the Special Called Meeting of November 3, 2009 were in the Board Book for approval.

MOTION was made by Randy Collins and Seconded by Alan Heskamp to approve the minutes of the Special Called Meeting held on November 3, 2009, as presented. The Motion passed with Randy Collins, Alan Heskamp and Gwen Willis voting FOR. Bobby Perez and Wesley Lange Abstained from voting due to being absent at the Special Called Meeting.

7. The bills and financial reports for the month of October were reviewed
8. President Willis Adjourned the meeting at 4:20 pm.