

CITY DEVELOPMENT CORPORATION OF EL CAMPO
REGULAR MEETING
August 16, 2010

Board Members Present: Gwen Willis, Randy Collins, Alan Heskamp, David Allgayer

Board Members Absent: Wesley Lange

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

CDC Attorney: Ronny Collins

Ex-Officios Present: Cecil Davis, El Campo Economic Development Corporation

Others Present: Leeanna Shimek, Northside Education Center

1. President Willis called the Meeting to order and noted a QUORUM at 3:00 pm.
2. President Willis opened EXECUTIVE SESSION at 3:01 PM to to:
 - A. Discuss and deliberate real estate negotiations, as authorized by Section § 551.072 of the Texas Local Government Code regarding Cardell Cabinetry.
3. OPEN SESSION reconvened at 4:25 pm.
 - A. Action taken regarding real estate negotiations:

Gwen Willis made the MOTION to amend the property lease with Cardell Cabinetry for the next three years to include taxes and insurance for the use of the building for a 3 year period and at each anniversary of the lease the production volume to be reviewed, if volume reaches at least 600 units within the previous quarter of the anniversary date there will be a rent increase of \$4,000 a month and this is per the Cardell Volume Proposal and is a shared agreement with ECEDC (El Campo Economic Development Corporation). Randy Collins Seconded the Motion and it passed unanimously.

ECEDC President Cecil Davis stated to let the minutes show that he was present as representative of the El Campo Economic Development Corporation Board.

4. A Resolution designating Signatories on all bank accounts and official documents was reviewed for possible action.

President Willis clarified that at the previous Board meeting, a motion was not made to officially approve the Resolution designating the CDC Signatories.

Randy Collins made the MOTION to accept the Resolution designating Signatories Gwen Willis, President, Alan Heskmap, Vice President, Wesley Lange, Secretary/Treasurer, and Chandra Spenrath, Executive Director. The Motion was Seconded by Alan Heskamp and passed unanimously.

5. The minutes from the Regular Meeting of July 19, 2010 were in the Board Book for approval.

MOTION was made by Randy Collins and Seconded by Alan Heskmap to approve the minutes of the Regular Meeting of July 19, 2010 as presented. The Motion passed unanimously.

6. The bills and financial reports for the month of July were reviewed.
7. The Draft FY 2010-2011 Budget was in the Board Book for review and any necessary action.

President Gwen Willis and Vice President Alan Heskamp stated that they met with Executive Director Chandra Spenrath to review the Draft Budget and did not have any changes.

Director Randy Collins questioned the lower budgeted amounts for insurance and Executive Assistant Jessica Thane explained that the estimated numbers were obtained by Betty at Texas Insurance after reviewing the history of the premium increase. Director Collins stated that he was additionally concerned regarding the increase in the budgeted amounts for Training/Education traveling and the Administrative salaries. President Willis stated very little training was attended this current Fiscal Year and that a portion of the expense was towards Executive Director Spenrath's certification test and review course, which was part of the Board's request when she was hired. Director Collins stated that he was just concerned considering the interest from investment income and sales tax revenues are projected down from the previous year. Executive Director Spenrath stated that the interest income would be less, because CDC has less invested than the previous Fiscal Year. A portion of CDC investment was applied to paying off the Silver Streak Bass Note, which alleviated a debt with a higher interest rate than the investments were earning.

After further discussion, the Board came to the consensus to review the Budget at the September 14th Workshop and Meeting. Executive Director Spenrath asked Director Collins and Director Allgayer to meet with her regarding the changes they would like to see overall on the Draft Budget.

8. The Board of Directors reviewed an included update from Michael Wall regarding Project Diamond/EC Little League.
9. Discuss September 14, 2010 Annual CDC Workshop and upcoming TEDC Sales Tax training seminars, take any necessary action.

Executive Director Spenrath stated Zindia Thomas with the Texas Attorney General's Office will be facilitating the morning training session at the September 14th Workshop and that the majority of City Council planned on making an effort to attend along with City Manager Mindi Snyder. Included in the Board Packets were the dates of the TEDC Sales Tax training seminars, and an update given that Directors Willis, Heskamp, and Lange are currently registered to attend the October 5th training in Houston.

During discussing the Workshop, the Board came to the consensus to hold the CDC Meeting at 9:00am on September 14, then if needed break for the training and reconvene the meeting after lunch.

10. Update on Northside Education Center Phase III Project.

President Willis, Director Collins, and Executive Director Spenrath attended a tour of the Northside Education Center Phase III Project given by Northside Center Director Leeanna Shimek. President Willis adjourned the meeting prior to the tour, due to lack of a quorum.

11. President Willis Adjourned the meeting at 4:46 pm.