

Minutes

CITY OF MATHIS 4B ECONOMIC DEVELOPMENT CORPORATION
Regular MEDC Board Meeting
MEDC OFFICE, 111 E. SAN PATRICIO AVE.
MATHIS, TX 78368

December 1, 2020 at 6:30 p.m.

BOARD MEMBERS' BUSINESS

- | Item | Description | |
|---|---|---------|
| 1. Roll call to confirm quorum. | | |
| President | Mitchel Smolik | Present |
| Vice President | Char Brown | Present |
| Secretary | Pat Doherty | Present |
| Treasurer | Elvira Chavez | Present |
| Past-President | Vicente Gonzalez | Present |
| Director | Frank Galvan | Present |
| Director | Michelle Herrera | Present |
| Executive Director | Doug Dowler | Present |
| Finance | Lori Trejo | Present |
| Office Admin | Roxanne Breiten | Present |
| 2. Call to order. | | |
| | President Mitchel Smolik called the meeting to order at 7:15 pm. | |
| 3. Pledge of Allegiance | | |
| | MEDC opened the meeting with the Pledge of Allegiance to the Flag. | |
| 4. Consider approval of November 3 rd , 2020 Minutes. | | |
| | <u>ACTION ITEM:</u> Motion to approve November 3 rd , 2020 Minutes. | |
| | Secretary Pat Doherty motioned to approve the November 3 rd minutes as written, seconded by Vice President Char Brown. Past-President Vicente Gonzalez motioned to amend previous motion to approve October 22, 2020 Special Called meeting contingent upon staff review of previous approval of the minutes for October 22 nd . Seconded by Treasurer Elvira Chavez, motion carried 7-0. | |
| 5. Review, discuss, and consider approval of November financial statements and any related matters. | | |
| | a. Review, discussion, and approval of November financials and any related matters. | |
| | i. Review and discussion of the November Income Statement. | |
| | ii. Review and discussion of November Balance Sheet. | |
| | <u>ACTION ITEM:</u> motion to approve November financial Statements. | |
| | Following discussion, the November financials, Income Statement, and Balance Sheet, were approved by the Board. Vice President Char Brown motioned to approve the November financials, seconded by Treasurer Elvira Chavez. Motion carried 7-0. | |
| | b. MEDC Loan Report update. | |

Lori Trejo, MEDC Financial Director, presented the Loan Report followed by board discussion.

- c. Review Cash Flow Budget & Financials.
 - i. Review and discussion of MEDC Cash Flow Budget & Financials. Financial Director presents the MEDC Cash Flow Budget and Financial updates, followed by board discussion.
 - ii. Discussion and possible creation of emergency cash reserve account. President Mitchel Smolik suggested the creation of an emergency cash reserve account and the rationale for the development of the account, followed by board discussion. Director Michelle Herrera motioned to create an emergency cash reserve account by function of By-Law amendment in the amount of \$100,000; seconded by Treasure Elvira Chavez. Motion carried 7-0.
 - iii. Discussion and possible creation of debt limit. President Mitchel Smolik suggested the creation of a debt limit for the MEDC, and the rationale for the development of the debt limit, followed by board discussion. Past President Vicente Gonzalez motioned to table discussion until next board meeting seconded by Director Frank Galvan. Motion carried 7-0.
- d. 2019 - 2020 Audit – Update
The Financial Director give an update regarding documentation requests for the 2019-2020 audit from the audit firm.

PUBLIC FORUM

Individuals are invited to address the Mathis Economic Development Corporation regarding their concerns. Individuals and groups are permitted three (3) minutes to present their concerns. If a group will be presenting, the group should select a spokesperson to address the Board on the issue concerning the group. The Mathis Economic Development Corporation may not answer questions and no action on concerns expressed is permitted, except to place a consideration item on a future Agenda.

Action item: Call for any comments from the audience.

No one representing the Public was present.

Old Business

6. Presentation of Administrative Programs.
 - a. Update on Settlement at the Ranch project and any related matters. Discussion will be had during executive session.
 - b. Update on Settlement at the Ranch Multi-Family project and any related matters. No current updates, NDC is continuing to do their due diligence.
 - c. Update on the Mathis Health Clinic project, and any related matters. USDA is still working on their office files, when everything is in line USDA would give us instructions on closing.
 - d. Update on CrackSeal of Texas Building Construction, and any related matters.

MEDC has an offer and earnest money contract signed by CrackSeal for the purchase of 5 acres in the amount of \$40,000. To be discussed in under new business.

- e. Update on the Mathis Business Park Montana Street project and any related matters.

No current updates available.

- f. Update on the 2019 TXCDBG Downtown Revitalization and Main Street Program Project.

Three bids came in over budget; the City is looking for alternative methods to complete the project.

- g. Review discuss and possible action on acquisition of the “Old Red J” buildings located at the corner of San Patricio and Bee Street Mathis, Texas.

No current updates available

(note: Action items will be discussed under New Business)

Executive Session

Public notice is hereby given that the Board of Directors may elect to go into closed session at any time during the meeting in order to discuss matters listed on the agenda concerning personnel, consultation with the Corporation Attorney, real-estate acquisitions, or other purposes authorized under the “Open Meetings Act.” In the event the Board of Directors elects to go into closed session regarding an agenda item; the purpose of the closed session and the section of the “Open Meetings Act” authorizing the session will be publicly announced by the presiding officer.

7. Close Public Meeting

Vice President Brown moved to close MEDC’s Regular Board meeting and enter Executive Session, seconded by Past- President Vicente Gonzalez. Motion carried 7-0

- A. **ACTION ITEM: Motion to move to Executive Session for discussion of legal matters pertaining to Mathis EDC authorized by Section 551.071 of the Texas Government Code Open Meetings.**
- B. **Discussion of legal matters pertaining to an MEDC Borrower authorized by Section 551.071 of the Texas Government Code.**
- C. **Discussion of personnel as authorized by section 551.074 of the Texas Government Code Open Meetings.**

- 8. **ACTION ITEM:** Motion to close Executive Session and reconvene MEDC’s Regular Board Meeting

President Char Brown motioned to close Executive session and reconvene MEDC’s Regular Board Meeting, seconded Past President Vicente Gonzalez. Motion carried 7-0.

- A. **ACTION ITEM:** Motion to approve actions resulting from Executive Session discussion of legal matters pertaining to Mathis EDC.
No action was taken
- B. **ACTION ITEM:** Motion to approve actions resulting from Executive Session discussion of legal matter pertaining to an MEDC Borrower.
Vice President motion to approve actions resulting from Executive Session discussion of legal matters pertaining to an MEDC Borrower; seconded by Director Michelle Herrera. Motion carried 7-0.
- C. **ACTION ITEM:** Motion to approve actions resulting from Executive Session discussion of Personnel.
Vice President Char Brown motion to approve actions resulting from Executive Session discussion of personnel; seconded by Past President Vicente Gonzalez. Motion carried 7-0.

New Business

9. Review and discuss

- a. Review and discussion on Settlement at the Ranch Financing and any related items.
Presentation from Board President Mitchel Smolik, to move forward with settlement at the Ranch a \$4,000 fee would be required for the appraisal by the bank project. The project estimated cost have dropped for JD Hedrick, in the range of \$500,000. Board census was to stop all expenditures until further notice.
POSSIBLE ACTION ITEM:
Treasurer Elvira Chavez motioned to stop all expenditures until further notice, seconded by Director Frank Galvan. Motion carried 7-0.
- b. Review and discussion on Lease Purchase Agreement with CrackSeal of Texas and any related matters.
MEDC Board reviewed and discussed the Lease Purchase agreement with CrackSeal due to a discrepancy in the Lease Purchase agreement. The MEDC board reached a consensus to ask a MEDC Board Member to take on the CrackSeal project as project manager.
POSSIBLE ACTION ITEM:
Vice President Char Brown motioned to name Past President Vicente Gonzalez project manager for CrackSeal, seconded by Director Frank Galvan. Motion carried 7-0
- c. Update on executive director job search and any related items.
The job search for the executive director position will be placed on hold until further notice.
- d. Discussion of active marketing of MEDC real properties.
Board consensus was reached to have a MEDC Board member manage the MEDC real-estate properties. Director Michelle Herrera motioned to give Secretary Pat Doherty power to represent the EDC in real-estate deals; seconded by Elvira Chavez. Motioned carried 7-0.

10. DISCUSSION OF FUTURE AGENDA ITEMS FOR JANUARY 2021 MEDC BOARD MEETING.

11. ADJOURNMENT

Treasure Elvira Chavez motioned to adjourn, seconded by Director Michelle Herrera. Motion carried 7-0. President Mitchel Smolik adjourned meeting at 9:25 p.m.