

APPROVED November 16, 2011
THE ECONOMIC DEVELOPMENT CORPORATION OF WESLACO
MINUTES OF THE REGULAR MEETING OF
OCTOBER 19, 2011

On this, the nineteenth (19th) day of October 2011 at 6:00 PM, The Economic Development Corporation of Weslaco convened in Regular Session at the Villa de Cortez Conference Room located at 260 South Texas Boulevard, Weslaco, Texas.

The following members were present:

David Suarez, Vice President-Treasurer	District 4 Appointment
Leticia Gonzalez-Aleman, Secretary	District 5 Appointment
Mike Givilancz, Jr., Member	Mayor Appointment
Lina Lawrence, Board Member	District 1 Appointment (6:03-7:55)
Richard Lehman, Board Member	District 2 Appointment
Arval M. Moses, Board Member	District 3 Appointment
Fidel Luis Peña, III, Board Member	District 6 Appointment

The following also were present:

Richard S. Talbert	EDC Attorney
Hernan Gonzalez	EDC Executive Director
Marj Greene	Recorder

I. CALL TO ORDER

Mr. Suarez called the meeting to order at 6:00 PM.

II. ESTABLISHMENT OF QUORUM

Mr. Suarez noted that six (6) members were present, and a quorum was established.

III. PUBLIC COMMENTS

Mr. Suarez noted that there were no public comments.

IV. APPROVAL OF MINUTES

A. Regular Meeting, September 21, 2011
Possible action.

Mr. Givilancz made a motion that the Board of Directors of The Economic Development Corporation of Weslaco approve the minutes of the regular meeting of September 21, 2011, as presented. Mr. Peña seconded the motion. Motion carried unanimously.

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V. FINANCIAL REPORTS

A. EDC Financial Report, September 2011

Mr. Gonzalez presented the EDC's written September 2011 financial report for the Board's information.

VI. REPORTS

A. Business, Visitor and Event Center

Status report by Bob Simpson of Boultinghouse Simpson Architects regarding the redesign of the new Business, Visitor and Event Center.

Mr. Simpson reported that the plans for the new Business, Visitor and Event Center have been completed and submitted to Hornback Construction.

B. Weslaco Area Chamber of Commerce Report

The written September 2011 Weslaco Area Chamber of Commerce Report was presented for the Board's information.

B. Executive Director's Report and Board Comments

1. PETCO / Sprint / Feldman's / SDI
2. Business, Visitor and Event Center
3. ECCOS
4. Weslaco 100
5. Arts Incubator
6. Farmers' Market
7. Sales Tax

Mr. Gonzalez presented his report for the Board's information.

VII. OLD BUSINESS

A. Construction Contract

Discussion and consideration of authorizing a contract with Hornback Construction as General Contractor for the new Business, Visitor and Event Center. Possible action.

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VII. A. Construction Contract [Continued]

Mr. Peña made a motion that the Board of Directors of The Economic Development Corporation of Weslaco authorize the Executive Director to enter into a contract with Hornback Construction as General Contractor for the new business, Visitor and Event Center in the amount of One Million One Hundred Forty-Eight Thousand Three Hundred Dollars (\$1,148,300.00). Mr. Lehman seconded the motion. Motion carried unanimously.

B. LRGVDC Moving Allowance

Discussion and consideration of approving the moving allowance in accordance with the Development Agreement and Purchase Option. Possible action.

Mr. Moses made a motion that the Board of Directors of The Economic Development Corporation of Weslaco (EDC) approve the Lower Rio Grande Valley Development Council (LRGVDC) moving allowance of Thirty-Six Thousand Nine Hundred Ninety-Three Dollars (\$36,993.00), as amended by the EDC, contingent upon the LRGVDC signing off on the amended amount as the full and final compromise. Mr. Lehman seconded the motion. Motion carried unanimously.

VIII. NEW BUSINESS

A. Valley Nature Center Funding

Discussion and consideration of funding for Valley Nature Center for Fiscal Year 2011-2012. Possible action.

Mr. Peña made a motion that the Board of Directors of The Economic Development Corporation of Weslaco authorize the Board Acting President David Suarez to establish a Valley Nature Center Committee to meet with VNC's Executive Director, Martin Hagne, to review the plans for the new VNC facility to determine what the EDC can do to assist VNC during the coming fiscal year. Ms. Gonzalez-Aleman seconded the motion.

EDC Attorney Richard S. Talbert informed the Board that a motion is not required for the President to appoint a committee.

Mr. Suarez announced that he would establish a Valley Nature Center Committee to meet with VNC Executive Director Martin Hagne to review the plans for the new VNC facility for the purpose

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VIII. A. Valley Nature Center Funding [Continued]

of determining how the EDC can assist VNC during the coming fiscal year. Mr. Suarez appointed the following Board members to the VNC Committee:

Richard Lehman, Chairman
Mike Givilancz, Jr., Member
Leticia Gonzalez-Aleman, Member

B. Amendment to Development Agreement

Discussion and consideration of an amendment to the Development Agreement with Ricana, LLC, to include the method in which the incentive is to be earned. Possible action.

Mr. Givilancz made a motion that the Board of Directors of The Economic Development Corporation of Weslaco provide for a quarterly incentive based on the number of employees at Ricana, LLC. Mr. Lehman seconded the motion. Motion carried unanimously.

C. Weslaco Farmers' Market

Discussion and consideration of sponsoring a Farmers' Market in downtown Weslaco. Possible action.

Mr. Lehman made a motion that the Board of Directors of The Economic Development Corporation of Weslaco authorize the Executive Director to negotiate with David Robledo, Captain of Texas Food Revolution, to conduct a Farmers' Market in Weslaco, on a trial basis, at a cost of Three Hundred Dollars (\$300.00) per event. Mr. Givilancz seconded the motion.

Mr. Lehman amended his motion to stipulate that the agreement with Texas Food Revolution would be cancelable on a thirty (30) day notice. Mr. Givilancz seconded the amendment. The amended motion carried unanimously.

D. Downtown Parking Lot

Discussion and consideration of paving a downtown parking lot in return for the lot being made available for public use. Possible action.

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VIII. D. Downtown Parking Lot [Continued]

Mr. Lehman made a motion that the Board of Directors of The Economic Development Corporation of Weslaco authorize the Executive Director to enter into a five (5) year lease with Chuck and Leah Wells for the Wells of Weslaco parking lot contingent upon the parking lot being made available for public use, with the rent being the paving and maintenance of the lot. Ms Gonzalez-Aleman seconded the motion.

Mr. Lehman amended his motion that the Executive Director obtain three (3) bids for the paving of the lot and the cost not to exceed Fifteen Thousand Dollars (\$15,000.00). Ms. Gonzalez-Aleman seconded the amendment. The amended motion carried unanimously.

E. Aisla Coat Drainage Improvements

Discussion and consideration of assistance for the onsite and off site drainage requirements for the Aisla Coat warehouse located at the Mid-Valley Industrial Park. Possible action.

Mr. Givilancz made a motion that the Board of Directors of The Economic Development Corporation of Weslaco (EDC) authorize the Executive Director to enter into an agreement with Aisla Coat for the EDC to share fifty percent (50%) of the cost of onsite and off site drainage improvements, not to exceed Six Thousand Five Hundred Dollars (\$6,500.00). Ms. Gonzalez-Aleman seconded the motion. Motion carried unanimously.

F. Boultinghouse Simpson Architects

Discussion and consideration of a new contract for Boultinghouse Simpson Architects, given the redesign of the Business, Visitor and Event Center caused by the elimination of the second floor from the original design. Possible action.

Discussion of this item was referred to the Executive Session.

G. Crossfit Gym

Discussion and consideration of a façade grant for a building located at 443 South Missouri for Michael Carlin, dba Crossfit Gym. Possible action.

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VIII. G. Crossfit Gym [Continued]

Mr. Peña made a motion that the Board of Directors of The Economic Development Corporation of Weslaco authorize a Façade Grant on a fifty-fifty (50:50) basis, not to exceed Fifteen Thousand Dollars (\$15,000.00) for the building located at 443 South Missouri, to benefit Michael Carlin, dba Crossfit Gym. Mr. Lehman seconded the motion. Motion carried unanimously.

At 7:25 PM Mr. Suarez announced that the EDC would convene in Executive Session and closed the public meeting.

IX. EXECUTIVE SESSION

Item F from VIII. NEW BUSINESS.

Boultinghosue Simpson Architects

Discussion and consideration of a new contract for Boultinghosue Simpson Architects, given the redesign of the Business, Visitor and Event Center caused by the elimination of the second floor from the original design.

A. Incentive

Discussion and consideration of the terms, conditions, and incentive for the sale of Mid-Valley Industrial Park 4, Lot 9, to a local company for expansion.

B. Loan Default

Consultation with legal counsel on the status of the lawsuit concerning a loan default.

At 7:45 PM Mr. Suarez announced that the EDC had completed its Executive Session and declared the meeting reopened to the public.

X. ACTION ON EXECUTIVE SESSION ITEMS

Possible action concerning discussion on Executive Session items.

Item F from VIII. NEW BUSINESS

Boultinghouse Simpson Architects

Mr. Givilancz made a motion that the Board of Directors of The Economic Development Corporation of Weslaco authorize the Executive Director to negotiate an amendment of the contract with Boultinghouse Simpson Architects as discussed during the Executive Session. Mr. Peña seconded the motion. Motion carried unanimously.

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X. ACTION ON EXECUTIVE SESSION ITEMS [Continued]

A. Incentive

Mr. Givilancz made a motion that the Board of Directors authorize the Executive Director to enter into a Sales Contract with incentives with Vera Cruz Coffee Products for the property located at Mid-Valley Industrial Park 4, Lot 9, under the following terms of sale:

Purchase Price: Forty Thousand Dollars (\$40,000.00)
Down Payment: Twenty Thousand Dollars (\$20,000.00)
Note: Twenty Thousand Dollars (\$20,000.00)
due in thirty-six (36) months

Obligation to Construct:

Warehouse of not less than three thousand square feet (3,000✓)

Special Economic Development Incentive:

Twenty Thousand Dollar (\$20,000.00) credit to the note if the construction is complete, as evidenced by a Certificate of Occupancy from the City of Weslaco, within one (1) year of closing.

Mr. Peña seconded the motion. Motion carried unanimously.

B. Loan Default

Mr. Suarez announced that no action would be taken on this item.

XI. ADJOURNMENT

There being no further business, Mr. Suarez adjourned the meeting at 7:50 PM.

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