

BASTROP ECONOMIC DEVELOPMENT CORPORATION (BEDC)
BOARD OF DIRECTORS
Minutes of Monthly Meeting, December 14, 2015
Bastrop EDC Office, 301 Hwy 71 W., Suite 214, Bastrop, Texas

The Bastrop Economic Development Corporation (BEDC) met on Monday, December 14, 2015, at 6:00 p.m. at the BEDC Office, 301 Hwy 71 W., Suite 214, for the Regular Monthly Meeting.

Board members present were: Steve Mills, Gary Schiff, Kristi Koch, Mayor Ken Kesselus, Willie DeLaRosa, and Joe Beal. Board member Cam Chavez and Mike Talbot (ex-officio) were absent. Staff members present: Shawn Kirkpatrick, Angela Ryan, and JC Brown, BEDC Attorney.

- 1. CALL TO ORDER** – BEDC Board Chair Steve Mills called the Board Meeting to order at 6:00 p.m.
- 2. PUBLIC COMMENT(S)** – None.
- 3. REGULAR BUSINESS**
 - 3.1. Oaths of Office for Board Members, Statement of Elected/Appointed Officer, Conflict of Interest form, and discussion of documents for providing bonds for Directors. Welcome of new Board Member Joe Beal. Mr. Kirkpatrick requested that the Board members who had not already completed their paperwork do so soon; the Conflict of Interest form is due to the City Secretary on December 15th. He then welcomed new BEDC Board member Joe Beal.
 - 3.2. Approval of meeting minutes of the Regular Board Meeting of November 16, 2015. Ms. Koch made the motion to approve the minutes as submitted, Mr. DeLaRosa seconded, and the motion passed.
 - 3.3. Consideration, discussion and possible action on acceptance of the BEDC’s financial summary report for period ending November 30, 2015. Mr. Kirkpatrick reviewed the financial report included in the Board packets. Mr. Schiff made the motion to accept the financial report as submitted, Mr. DeLaRosa seconded, and the motion passed.
- 4. ACTION ITEMS**
 - 4.1. Consideration, discussion and possible action on approval of a proposed “Internal Financial Control Policy #3” related to placing certain BEDC “reserved” and/or “restricted funds” into alternative investment options/instruments. Tracy Waldron, the Chief Financial Officer for the City of Bastrop, explained that currently, all investment funds are in TexPool and earn very little interest. The proposed policy would allow the BEDC the flexibility of placing the reserved funds into a CD which could yield a higher percentage rate. The policy would authorize Mr. Kirkpatrick, Mr. Mills and Ms. Waldron to make the decision as to where to invest the funds. Mr. Schiff made the motion to approve Internal Financial Control Policy #3, Mayor Kesselus seconded, and the motion passed.
 - 4.2. Consideration, discussion and possible action on approval of a “Resolution” by BEDC to participate in “Texas CLASS,” specifically to ensure the BEDC’s compliance with the ‘Public Fund Investment Act’ (“Act”), adoption of an investment policy reflecting same, and investment of reserved and/or restricted funds of the Board, through ‘investment pools’ that meet all requirements of the Act, and as recommended by the City’s Finance Department. Mayor Kesselus made the motion to approve the Resolution to participate in Texas CLASS, Mr. Schiff seconded, and the motion passed.
 - 4.3. Consideration, discussion and possible action on approval of a “Resolution” by BEDC to participate in “TexPool,” specifically to ensure the BEDC’s compliance with the ‘Public Fund Investment Act’ (“Act”), adoption of an investment policy reflecting same, and investment of reserved and/or restricted funds of the Board, through ‘investment pools’ that meet all requirements of the Act, and as recommended by the City’s Finance Department. Ms. Waldron explained that financial investors

recommend investing in more than one pool. Mr. Schiff made the motion to approve the Resolution to participate in TexPool, Mr. DeLaRosa seconded, and the motion passed.

4.4. Consideration, discussion and possible action on approval of a FY16 budget transfer in the amount of \$5,000, from “Contingency” to “Local & Miscellaneous Advertising”, to cover sponsorship of the Texas Economic Development Council (TEDC) Winter Conference, to be held February 24–26, 2016, at the Hyatt Regency Lost Pines Resort. Mr. Schiff made the motion to approve transferring \$5,000 from “Contingency” to “Local & Miscellaneous Advertising” in order to sponsor the TEDC Conference. Ms. Koch seconded, and the motion passed.

4.5. Consideration, discussion and possible action on the potential disposition of BEDC owned real property located at 903 Main Street, as a component of a proposed economic development project to enhance and promote an existing local business enterprise, as authorized by State law pursuant to LGC §505.158, *et seq.*, including a presentation to and discussion with the Board by the proposed project developer, i.e., representative(s) of Maxine’s Café. David Sartain, owner of Maxine’s Café, spoke to the Board about his expansion plans, which include consolidating the restaurant with the bakery and catering kitchen currently located on Chestnut Street. He explained he would prefer a three year clawback period instead of the five years stated in the draft performance agreement. After discussion, Mr. Schiff made the motion to sell the former BEDC office at 903 Main Street to Zintek Properties/Maxine’s Care at the appraised value of \$138,000, with an economic incentive of \$38,000, for a net sale price of \$100,000, with a three year performance term. Mayor Kesselus seconded, and the motion passed.

4.6. Consideration, discussion and possible action on election of a new Vice Chair to fill the position vacated with the resignation of Carlos Liriano. Mayor Kesselus made the motion to elect Ms. Koch to fill the unexpired term of the Vice Chair, Mr. Beal seconded, and the motion passed.

5. **UPDATE(S), REPORT(S), AND/OR ANNOUNCEMENT(S)** – The BEDC, City of Bastrop, and Main Street Program will provide written reports and be available to answer questions from the Board. (includes items for update, discussion, and possible action)

5.1. BEDC Projects and/or Business – Mr. Kirkpatrick’s report was included in the Board packet. Copies of BEDC marketing materials were available for the Board to see.

5.2. Main Street Program Monthly Report – Ms. Wood reported the previous weekend downtown had been the best holiday weekend the downtown businesses have had in several years.

5.3. City Manager’s Report – A synopsis of Mr. Talbot’s City Manager report was included in the packet.

5.4. City of Bastrop Comprehensive Plan – Ms. Koch gave a brief update on the comprehensive plan.

5.5. City of Bastrop Construction Projects – The list of construction updates was included in the packet.

6. EXECUTIVE SESSION

6.1. At 7:22 p.m., Mr. Mills convened the BEDC Board of Directors into a closed/executive session pursuant to the Texas Government Code, Chapter 551, to discuss the following:

(1) **Section 551.071(1)(A) and Section 551.071(2)** – Consultations with Attorney: (1) threatened and/or contemplated litigation, and (2) matters upon which the Attorney has a duty and/or responsibility to report to the governmental body.

(2) **Section 551.072** – Deliberation about real property: including, but not limited to, potential sales, acquisitions, exchanges, leases, dispositions or values of real property: ‘Project Gold Steel’, ‘Project Bronze Star’ and/or ‘Project MT Star Wars’, and/or disposition of 903 Main Street.

(3) **Section 551.087** – Deliberation regarding economic development negotiations: ‘Project Gold Steel’, ‘Project Bronze Star’, ‘Project MT Star Wars’, and/or 903 Main Street – Maxine’s Café Project.

(4) **Section 551.074** – Personnel Matters: Executive Director’s Six Month “Interim Performance Review” and Update.

6.2. At 7:33, the BEDC Board of Directors reconvened into open session to discuss, consider and/or take any action necessary related to the executive sessions noted herein, or regular agenda items, noted above, and/or related items. There was no action taken.

7. BOARD INPUT ON FUTURE AGENDAS

7.1. Inviting input from the Board of Directors related to issues for possible inclusion on future agendas, related to (but not limited to) issues such as BEDC projects, property, economic development prospects, community events, and BEDC business. Items for future agendas included the Main Street Improvement Project and Board picture.

8. **ADJOURNMENT** – Ken Kesselus made the motion to adjourn and Willie DeLaRosa seconded. The BEDC Board of Directors adjourned the meeting at 7:34 p.m.