

SCHERTZ

ECONOMIC DEVELOPMENT

MINUTES
CITY OF SCHERTZ
ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS
REGULAR MONTHLY MEETING
THURSDAY, APRIL 28, 2016

The City of Schertz Economic Development Corporation (SEDC) Board of Directors met for a Regular Monthly Meeting on Thursday, April 28th, 2016 at 6:00 p.m. in the City Council Chambers, Conference Room, 1400 Schertz Parkway, Schertz, Texas.

CALL TO ORDER

1. Roll call and recognition of visitors.

Vice President Kiser called the meeting to order at 6:00 p.m. and welcomed everyone in attendance.

Board of Directors:

Angelina Kiser – Vice President
Rosemary Scott - Secretary/Treasurer
Roy Richard
Paul Macaluso

Staff:

Kyle Kinateder – SEDC Executive Director
Colin Sherman – ED Specialist
Patty Horan – Executive Assistant - ED
James Walters – Assistant Finance Director

Absent Directors: Tim Brown, Marvin Thomas and Grady Morris

Others present:

Robert Brockman – Resident
Charla Weiswurm – ITM Owner
Frazier – AVC Auditor
Nolan Macaluso - Resident

Klaus Weiswurm – ITM Owner
Rhonda Williams – Brighter Futures Owner
Debbie
Jim Fowler – City Councilmember

2. Public comment.

This time is set aside for any person who wishes to address the Board. Each person should fill out the Citizen's to be Heard registry form prior to the meeting. Presentations should be limited to no more than 3 minutes. The presiding officer, during the Public Comment portion of the agenda, will call on those persons who have signed up to speak in the order they have registered.

Mr. Weiswurm commented on his satisfaction to have seen some Board Members at The Chamber's Taste event and commended them for their support of events that promote growth for the City. He also expressed concern on the streets condition and the unlawful overnight parking of commercial

trucks at the business park. He incited for strict enforceable regulations on the Unified Development Code to keep the City safe and beautiful.

ITEMS FOR INDIVIDUAL CONSIDERATION

3. **Consider/Discuss/Act on approval of the Minutes for the Board of Directors Regular Monthly Meeting held on Thursday, February 25th, 2015. (P. Horan)**

A motion to approve the minutes for the Board of Directors Regular Monthly Meeting held on Thursday, February 25th, 2016 was made by **Mr. Paul Macaluso. Seconded by Ms. Rosemary Scott. Motion passed unanimously.**

The Vice President Kiser moved to discuss Agenda Item No. 6

4. **Consider/Discuss/Act on Independent Auditor's Report for the SEDC Annual Financial Report for the Year Ended September 30, 2015. (Deborah Fraser, CPA/Armstrong, Vaughn and Associates)**

Ms. Fraser provided a briefing on the Independent Auditor's Report for the City of Schertz Economic Development Corporation Annual Financial Report Year Ended September 30, 2015. Ms. Fraser stated that the audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Corporation's basic financial statements. Nothing came to the auditors' attention that caused them to believe that such information, or its manner of presentation, was materially inconsistent with the information, or manner of its presentation, appearing in the financial statements. Auditors issued their report on February 25, 2016 in accordance with accounting principles generally accepted in the United States of America.

The Board held a discussion.

A motion was made to accept the Independent Auditor's Report for the SEDC Annual Financial Report for the Year Ended September 30, 2015 as presented by **Ms. Rosemary Scott. Seconded by Mr. Roy Richard. Motion passed unanimously.**

5. **Review of the SEDC Monthly Financial Report for the months of February and March 2016. (J. Walters)**

Mr. Walters provided an overview of the SEDC Monthly Financial Statement Report for the months of February and March 2016.

The Vice President Kiser moved to discuss Agenda Item No. 8

6. **Consider/Discuss/Act on the City of Schertz Economic Development Corporation ("SEDC") Construction Agreement with KMAC Construction Services, Inc. for the demolition and**

revegetation of 1300 Schertz Parkway and recommend approval by the City Council to authorize the expenditures associated with the contract. (K. Kinateder)

Mr. Kinateder provided a brief background on the project. He explained that using the engineering plans, SEDC Staff developed a scope of work for the Construction Agreement and sought multiple bids from area contractors. KMAC Construction was the lowest bidder and has experience in the City of Schertz doing similar projects. As part of the Construction Agreement, KMAC will oversee the proper asbestos abatement and removal, demolition and repair of an existing fence, and the revegetation of the site. Mr. Kinateder also recommended to the Board that the SEDC hire a third-party monitoring company to monitor the asbestos removal which would remove liability from the SEDC Board by taking a voluntary step to ensure that the asbestos is properly removed. Staff requested a total of \$36,000 for the project which would include a project contingency. Funds will be transferred from the SEDC Land Purchase line item as approved in the FY 2015-16 budget.

A motion to approve the Construction Agreement with KMAC Construction Services, Inc. for the demolition and revegetation of 1300 Schertz Parkway and recommend approval by the City Council to authorize the expenditures associated with the contract **was made by Mr. Roy Richard. Seconded by Mr. Paul Macaluso. Motion passed unanimously.**

7. **Consider/Discuss/Act on Amendment No. 1 to the Development Agreement among the City of Schertz, Texas, The City of Schertz Economic Development Corporation, and GE Oil & Gas Inc. and recommend approval by the City Council. (K. Kinateder)**

Mr. Kinateder provided a brief history on the project. He explained that GE has experienced rapid growth at its Schertz facility and has exceeded both, the investment and the jobs requirement as of per the terms of the agreement. GE encountered problems submitting the Texas Employers Quarterly Wage Report as part of their annual certification because the report includes sensitive personal information for all GE employees throughout the State, not just the Schertz location. Amendment No. 1 allows GE to file an affidavit as part of a revised Certification Report in place of submitting the report. Amendment No. 1 preserves the City and SEDC's right to request additional information to verify the annual report, if needed. There are no fiscal impact associated with Amendment No. 1 to the Development Agreement (GE Oil & Gas, Inc.)

A motion to approve the Amendment No. 1 to the Development Agreement among the City of Schertz, Texas, The City of Schertz Economic Development Corporation, and GE Oil & Gas Inc. and recommend approval by the City Council **was made by Mr. Roy Richard. Seconded by Ms. Rosemary Scott. Motion passed unanimously.**

The Vice President Kiser moved to discuss Agenda Item No. 4

8. **Update on the 2015 annual certification process for active economic development incentives. (K. Kinateder/C. Sherman)**

Mr. Kinateder provided a brief history on the Economic Development Incentive Agreement among the City of Schertz, the City of Schertz Economic Development Corporation, Guadalupe County, and Amazon.com.kydc. LLC. Mr. Kinateder stated that after evaluating all reported information, Amazon is compliant for the 2015 tax year and will be receiving the reimbursement in accordance with the Agreement for the amount of \$486,377.79.

9. Director's Report. (K. Kinateder)

- Project Updates
David Lack Blvd.
Provided update on construction
- LSRD Update
Information provided in packet
- SEDC Website
Staff presented the newly released redesign of www.SchertzEDC.com
- Businesses Visited
Republic National Distributing Company
Armortex
T&F Construction Co.

- Events Attended
Wilenchik Walk for Life – 3/5/2016 – Schertz, TX
TexasOne – Invest in Texas – 2/24/2016 – San Antonio, TX
2016 American Manufacturing Summit – 2/29/2016 – Chicago, IL
SCUC ISD Academy Task Force – Various
CORE Leadership Program – Various meetings
Schertz Master Thoroughfare Open House – 4/18/2016 – Schertz, TX
Business Summit – Workforce Solutions Alamo – 4/13/2016 – New Braunfels, TX

- Upcoming Events and Announcements
None announced

REQUESTS AND ANNOUNCEMENTS

10. Requests by Board Members that items be placed on a future SEDC Board Meeting Agenda.

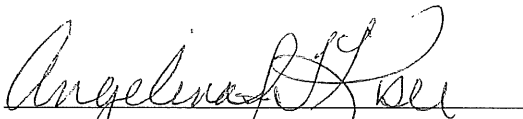
Information was requested on the following subjects:

- Board of Directors attendance requirements
- Integrating SEDC and City marketing campaigns

ADJOURN

Vice President Kiser declared the meeting adjourned at 6:34 p.m.

MINUTES PASSED AND APPROVED THIS 23rd DAY OF JUNE 2016.



Angelina Kiser – Vice President

Rosemary Scott – Secretary/Treasurer