City of San Angelo, Texas Development Corporation
Meeting Wednesday, January 23, 2019

Todd Kolls, President
Bill Dendle, First Vice President
Edward Carrasco, Director
John Bariou, Director
Oscar Casillas, Director
Max Puello, Director

1. **Call to Order**

With a quorum of the City of San Angelo Development Corporation Board Members present, President Todd Kolls called the regular session of the City of San Angelo Development Corporation meeting to order at 8:30 a.m., on Wednesday, January 23, 2019 in the San Angelo McNease Convention Center, 501 Rio Concho Drive, San Angelo, TX 76903

2. **Prayer**

An invocation was provided by Director John Bariou

3. **Public Comment**

Issues or items that are not on the agenda may be raised by the public at this time. Citizens should speak from the podium, begin by stating their name and limit remarks to less than three minutes. Board members may request that a discussed item be placed on a future agenda. The Board takes public comment on all Regular Agenda items during the discussion of those items.

No public comment

4. **Proclamation/Recognition**

President Todd Kolls presented Edward Carrasco with a plaque on behalf of the COSADC board and staff for time served as Board President

5. **Consent Agenda**

   a. Consider approving the December 19, 2018 and January 9, 2019 meeting minutes

   b. Consider Approving the necessary Corporation Disbursements

Motion: First Vice President Dendle made a motion, seconded by Director Casillas to approve the consent agenda as presented. The motion carried unanimously six (6) ayes to zero (0) nays.

6. **Regular Agenda**

a. Consider approving the December 2018 Financial Statements (Presentation made by Tina Dierschke, Director of Finance)

Director Bariou made a motion, seconded by Director Casillas to approve the December 2018 Financial Statements. The motion carried unanimously six (6) ayes to zero (0) nays.

b. Presentation of the Chamber of Commerce 4th Quarter Report, October - December 2018- (Presentation made by Michael Looney, Vice President of Economic Development)

No action taken on this item

c. Update presentation regarding the Texas A&M Transportation Institute Forum (Presentation by John Bariou, Director COSADC Board)

No action taken on this item

Director Casillas left at 9:28 a.m.

d. Consider a resolution of COSADC Board of Directors authorizing the use of sales and use tax funds in an amount not to exceed $300,147 to provide an Economic Development Incentive to Principal LED, LLC for a project related to Business Enterprises that create or retain primary jobs, as authorized for a Type B Corporation under Local Government Code Chapter 501 Subchapter C, and authorizing the Director of Economic Development to prepare an economic development performance agreement with PRINCIPAL LED, LLC in compliance with the Development Corporation Act in a form approved by the City Attorney's Office; authorizing the COSADC Board President to execute said agreement and related documents; and recommending to City Council ratification of the incentive and approval of the economic development performance agreement (Presentation made by Shannon Scott, Business, Retention & Expansion Coordinator)

Director Bariou made a motion, seconded by Director Carrasco to approve the resolution as presented. The motion carried unanimously five (5) ayes to zero (0) nays.

e. Consider a resolution of COSADC Board of Directors authorizing the use of sales and use tax funds in an amount not to exceed $20,000 to provide an Economic Development Incentive to Carter-Fentress Engineering, LLC for a project related to Business Enterprises that create or retain primary jobs, as authorized for a Type B Corporation under Local Government Code Chapter 501 Subchapter C, and authorizing the Director of Economic Development to prepare an economic development performance agreement with Carter-Fentress Engineering, LLC in compliance with the Development Corporation Act in a form approved by the City Attorney's Office; authorizing the COSADC Board President to execute said agreement and related documents; and recommending to City Council ratification of the incentive and approval of the economic development performance agreement (Presentation made by Shannon Scott, Business, Retention & Expansion Coordinator)

Director Bariou made a motion, seconded by Director Puello to approve the resolution as presented. The motion carried unanimously five (5) ayes to zero (0) nays.

f. Consideration of approving updates to the Business, Retention & Expansion Program Plan, Incentives Policy, Guidelines and Marketing Plan (Presentation made by Shannon Scott, Business, Retention & Expansion Coordinator)

First Vice President Dendle made a motion, seconded by Director Carrasco to approve the updates as presented. The motion carried unanimously five (5) ayes to zero (0) nays.

g. Consider a resolution authorizing the use of Sales and Use Tax funds in an amount not to exceed $49,000, for professional marketing and consulting services relating to an assessment of industrial transportation facilities, industry needs, and identification of markets essential to the promotion of new industrial development opportunities as authorized under Chapter 505 of the Texas Local Government Code for Type B Development Corporation; and, authorizing the Board President to enter into a personal services marketing and consultant contract for such purposes with Roger Horton, d/b/a Shea Transportation Consulting Services (Presentation by Robert Schneeman, Economic Development Project Manager)

Director Bariou made a motion, seconded by First Vice President Dendle to approve the resolution as presented. The motion carried unanimously five (5) ayes to zero (0) nays.

President Kolls requested to pull MedHab, LLC and Martifer-Hirschfeld from Executive Session to Regular Session.

Shannon Scott, Business, Retention & Expansion Coordinated, provided the following update regarding these projects:

MedHab, LLC:

- **agreement expired effective January 1, 2019**
- **allocated funds $800,000 transferred back to Future Projects**

Martifer-Hirschfeld

- **effective May 3, 2018 a portion of the agreement expired due to non-compliance of rail spur not being constructed**
- **required to submit retention numbers**
- **allocated funds of $1.4 m transferred back to Future Projects**

7. **Closed Session**

Executive Session under the provision of Government Code, Title 5. Open Government; Ethics, Subtitle
A. Open Government, Chapter 551. Open Meetings, Subchapter D. Exceptions to Requirement that Meetings be Open under the following sections:

At 9:45 a.m., the Board convened in Executive Session under the provision of Government Code, Title 5. Open Government; Ethics, Subtitle A. Open Government, Chapter 551. Open Meeting, Subchapter D. Exceptions to Requirement that Meetings be Open under the

following sections:

a. Section 551.087 to deliberate regarding commercial or financial information that the Boards receiving from business prospects with whom economic development negotiations are being conducted, and discuss financial or other incentives relating to the following projects:

   MedHab, LLC

   Martifer-Hirschfeld

   Project RENO

   Project ICET

   Project PAK

No action was taken regarding Project RENO, ICET, and PAK.

Update regarding MedHab, LLC and Martifer-Hirschfeld expired agreements.

No action was taken.

8. **Follow Up and Administrative Issues**

   a. Announcements and consideration of Future Agenda Items

No action taken to report from Executive Session

First Vice President Dendle left at 10:12 a.m.

9. **Public Work Session (Discussion and tour of Warren Cat facilities only; no action will be taken)**
   a. 10:30 a.m.: Tour of Warren Cat, 3370 Loop 306 North, San Angelo Texas

Board departed at 10:12 a.m., to travel to Warren Cat. First Vice President Dendle and Director Casillas did not attend tour.

   b. Discussion relating to observations on tour

At 11:24 a.m., Board returned to the McNease Convention Center from tour.

No action taken on this item

10. **Adjournment**

At 11:24 a.m. Director Bariou made a motion, seconded by Director Casillas to adjourn the meeting. The motion carried unanimously four (4) ayes to zero (0) nays.

THE CITY OF SAN ANGELO

DocuSigned by:
D5BB05B2E1E14B1...
Corporation President

ATTEST:

DocuSigned by:
B488B9107DA14CD...
Corporation Secretary

In accordance with Chapter 2, Article 2.300, of the Official Code of the City of San Angelo, the minutes of this meeting consist of the preceding Minute Record and the Supplement Minute Record. Details on Board meetings may be obtained from the City Clerk's Office. (Portions of the video recording may be distorted due to equipment malfunction or other uncontrollable factors.)

THIS PAGE INTENTIONALLY LEFT BLANK