

VAN ALSTYNE ECONOMIC DEVELOPMENT CORPORATION
MINUTES - REGULAR MEETING
Monday, June 26, 2017
6:30 p.m.
228 E. Marshall - VAN ALSTYNE, TEXAS

A QUORUM OF CITY COUNCIL MEMBERS MAY OR MAY NOT BE PRESENT. NO ACTION OF THE CITY COUNCIL WILL BE TAKEN AT THIS MEETING.

- 1. Call to Order and Introduction of Guest(s):** President Randy Uselton called the meeting to order at 6:43 pm.

Present: Randy Uselton, Patrick Flynn, James Lewis, Timmerle Kelly, Kaaren Teuber and Jodi Carr.

Guests: Mayor Larry Cooper, Doti Izzi, Kanita Larkins, Paul Nobles, Suzon Crowell, J.D. Ballard, David Hips, Tiffany Clum, Jan Walker and Clint Murphy. Robert Jaska arrived at 6:52 pm.

Mr. Uselton thanked the guests for their presence and interest in the EDC, and advised that there are only certain individuals that can speak or have input during the meetings, being the Board Members, the EDC Director, the City Manager (who is not present) or his designee, which is Mayor Larry Cooper, this is not an interactive forum; it is strictly for us to do business, and you can observe. The Board then introduced themselves to the guests.

- 2. Discuss/Action: Approval of Minutes of Regular Meeting of May 26, 2017:** The Minutes of the Regular Board Meeting of May 26, 2017, were reviewed by the Board. Randy Uselton stated that there was an omission, and requested that Item 13 include his request to co-sign James' letter to remove a complaint. There was discussion as to which complaint Mr. Uselton was referring to. Mr. Uselton thought it was regarding removal of the complaint with regards to waiving a fee for an individual moving in to the City. After more discussion, clarification was made that it is regarding the complaint of the City Manager against the Director with reference to the Administrative Assistant's complaint, and that the complaint regarding waiving of a fee was unwarranted. Kaaren Teuber made a motion to accept the minutes as written. Timmerle Kelly seconded the motion. Patrick Flynn abstained from voting. Motion carried.
- 3. Discuss/Action: Approval of Treasurer's Reports for April and May, 2017:** The Treasurer's Reports for April and May were presented to the Board. Timmerle reported that Doti had entered all transactions the City did while they were in control of the financials and the Reports are accurate and in accordance with the auditors' requests. Payroll liabilities were discussed. Doti Izzi is to get with INTUIT Payroll Service to figure out where to post the journal entries. Patrick Flynn questioned the uncategorized expense which was a bankruptcy settlement. Ms. Kelly advised that we will need to wait for the auditors to tell us where they would like it put. There was discussion on the rail spur expense which is a fee the City had been paying and advised that we will now be required to pay. Jodi Carr advised that is not a budgeted item, and needs to be included in the new budget. The item should be included as a current liability. Randy Uselton made a motion to accept the Treasurer's Reports for April and May. James Lewis seconded the motion. The motion carried unanimously.

4. Discuss/Action: VAEDC Attorney, Billing, Select Additional Legal Counsel: Randy Uselton spoke in favor of retaining the City's Attorney, as it would reduce costs with an independent attorney charging to be debriefed on City matters. His position is that using the City's Attorney helps us stay in compliance with what the City is ruling on. James Lewis stated that we should look into hiring an independent attorney as a result of the City Attorney changing an opinion which was not in accordance with the Attorney General's ruling. Randy Uselton kept referring to the May 25th letter from the City's Attorney, regarding who can/cannot be included in Executive Session of Board Meetings, which is where she superseded the Attorney General's ruling. Mr. Lewis relayed the Attorney General's information that the only people who have the right to be in Executive Session are the Board Members. If the Board feels another person's presence is relevant to the items being discussed, we can allow them to be there. Mr. Uselton stated it is his "understanding, from what the attorney said is, it is based on our By-Laws which state they will be a part of our meeting and have the right in our meetings". More back & forth discussion. Ms. Teuber stated that since the Attorney is now representing the City, we need our own attorney. She also stated that Mr. Uselton didn't have the right to cancel Jodi's search. Mr. Uselton told Ms. Teuber to stop what she is saying because she is discussing an ongoing investigation, and we will move on to the next Agenda item. Mr. Lewis asked that before we leave the attorney item, he would like some clarification on items we have been asked to pay the Attorney. Mr. Uselton again stated that we will move on to the next Agenda item. Ms. Teuber stated that before we move on, the search for our own attorney needs to go on. Mr. Uselton stated that that is fine, but we will be moving on to the next Agenda item. Ms. Teuber asked for verification that Ms. Carr does have the right to look for other attorneys. Mr. Uselton stated "once again, we are moving to the next Agenda item, Karen". Ms. Teuber attempted to get a decision on the issue of searching for another attorney, at which time Mr. Uselton interrupted and stated "it is the right of the President of the Board to move to the next Agenda item, so we are moving to the next Agenda, which is". Much more discussion. Mr. Lewis asked if we would bring the issue up at a later date. Mr. Uselton was in agreement to bring it up at a later date; but stated at this point in time, the discussion is becoming part of an ongoing investigation. Ms. Teuber argued the point, stating that we need to be on the search for an attorney, as the city attorney has been taken away. Mr. Uselton stated that nobody was ever told not to do this, to which Ms. Teuber and Ms. Carr objected. Mr. Uselton stated we are moving on to the next Agenda item, repeatedly, to opposition from Ms. Teuber.

5. Discuss/Action: Personnel – Director Job Description, Personnel File, Benefits; Administrative Assistant Complaint: Randy Uselton advised that there are some items in this section that are part of a current investigation and should not be discussed in the meeting to maintain integrity of the investigation as well as to protect all parties. If there are comments made during any of the discussions that may compromise that position, the topic will be shut down immediately and will be moved to the next topic. Ms. Teuber stated that we have a letter from the attorney stating that she will not represent us, and we need someone to represent us. Back and forth discussion between Mr. Uselton and Ms. Teuber. Ms. Teuber stated that we need to reverse Mr. Uselton's decision that he did not consult with board. Mr. Uselton told Ms. Teuber she was out of line. Mr. Lewis asked if Mr. Uselton was saying we cannot seek legal – Mr. Uselton stated that he is not saying we cannot seek legal elsewhere. Mr. Lewis requested we move Item 4 so he can make a statement on it. Ms. Carr requested talking about the billing. Mr. Uselton stated that we have moved on to the next section, because this section has become an issue with an ongoing investigation. Ms. Teuber asked if Ms. Carr had the right to pursue other attorneys. Mr. Uselton stated we are moving on to the next item. Ms. Carr asked if she could speak to the Attorney's bill,

which has nothing to do with any investigation. She has two specific items in question they are billing us for. Her understanding after last month's meeting was that we should not be charged any more for By-Laws investigation. There is a charge of \$836 to re-do her By-Laws letter. We paid her the first time, and she has come back with a change of opinion. The Mayor informed that after a City council meeting, the Attorney was asked to go back and look at it again. It was being questioned as to who authorized the expenditure. Mr. Uselton stated that it was an ongoing EDC request. Mr. Lewis objected. Mr. Uselton agreed that we do need to ask about this billing for additional work. Ms. Carr had another billing question regarding the shared use path. Mr. Uselton stated we will get to that point.

Mr. Uselton again stated that if there is any discussion with regards to ongoing investigations, we will move on to the next Agenda item. The Job Description can be discussed. Ms. Carr advised of changes made to the description, as well as presented information from TEDC regarding certification - 85 out of 627 members have actually been certified. Ms. Carr presented information on costs associated with the classes. Kaaren Teuber made a motion to accept the Job Description as presented. Randy Uselton seconded the motion. The motion carried unanimously. Mr. Uselton stated that any board member, or the Director herself, who want to review the Director's Personnel file needs to set an appointment to view it at City Hall. Ms Teuber inquired as to us getting a copy of it – Mr. Uselton stated that as a personnel file of a city employee, it cannot leave the building. Ms. Teuber asked if we could have a copy of her personnel file, since she is technically our employee, to which Mr. Uselton answered “technically she is a city employee – she is a City employee and we have to go by the City rules”. Ms. Teuber requested revisiting the fact that the Director is a city employee to which Mr. Uselton stated “not at this meeting”. Ms. Teuber then requested that it be added to the next Agenda, revisiting the fact that she is no longer a city employee and look at the examples of Little Elm and Pilot Point who have EDC employees receiving City benefits without being City employees. Ms. Carr is still investigating other benefit options, including TML and TMRS, and hopes to have more information at our next meeting.

Regarding the Administrative Assistant complaint, Mr. Uselton advised that at the time the complaint was filed, Doti was contracted and this is not something that the EDC is to be involved in. Ms. Carr objected. Mr. Uselton stated Doti was not an employee of the EDC; with being contract, it is not an EDC issue. Ms. Carr stated that “it is very much an EDC issue, she's our employee”. Mr. Uselton was told this does not involve the EDC. Ms. Teuber stated “and that's why you were able to just dismiss it, then?” Mr. Uselton said “I never dismissed it, I basically stated what it was.” Ms. Teuber objected. Mr. Uselton moved on to Item No. 6.

- 6. Discuss/Action: VAEDC Facebook Page and other EDC Facebook Pages:** Mr. Uselton stated that this is part of an investigation, but he believes we need a Facebook page up and running and properly monitored, and he believes the whole Board agrees. He asked if anyone disagrees, simply say no. Ms. Kelly asked if there were any municipal restrictions on having a Facebook page. Mr. Lewis spoke to violating open meetings act with possibility of a walking quorum. Ms. Kelly also asked if the Board ever voted on having a Facebook page. Mr. Uselton stated that our website and our communications were contracted with a company, and we do not want to be in violation of that contract. Ms. Carr had an objection, but was not allowed to speak to it. She did advise that other Cities' EDCs do have Facebook pages and she provided a listing of local area Cities that do. Ms. Carr wanted to provide additional information, but Mr. Uselton stated that we need to move to the next item. More discussion, in particular, whether or not there is a contract with Sheep Boutique pertaining to social media. Ms. Teuber stated that per the Director's job description, she is responsible for advertising and marketing. Mr. Uselton moved to the next Agenda Item. Ms. Carr asked what the action is with regards to the Facebook page. Is she allowed to put it back? Mr.

Useton answered yes, but we need to utilize the company that we voted to contract with. Mr. Lewis made a motion for Jodi to get with Laura and review the Facebook page and our contract with her (if one exists). Laura can assist Jodi in setting it up, but Jodi manages it. Timmerle seconded the motion. Ms. Carr inquired as to why there was no issue before when the Facebook page was in existence. No answer was provided. All members voted favorably. Motion carried unanimously.

- 7. Discuss/Action: Industrial Park – Tree Trimming, Mowing, Electrical:** Mr. Useton had spoken with LaCore about working together on the electrical. Ms. Carr advised that Foxworth commented on it, stating that their trucks cannot see the sign at night when they are coming in. The cost is right at \$1,000.00. This is an item that was previously approved, but was put on hold because of the entryway. Mr. Useton stated that if Foxworth is having an issue with it, we need to go ahead and move forward with it. Ms. Carr stated that the gentleman who has the contract for the mowing at the Industrial Park quoted \$100.00 to trim three crepe myrtles on the island. Jodi was instructed to get extra bids on the mowing/landscaping. She asked for board input on frequency of mowing, and any city restrictions/regulations on who can be used. Mr. Lewis stated that he would like to see it mowed back further on the sides.
- 8. Discuss/Action: Shared Use Path – Updates and New Information:** Mr. Useton stated that we are still waiting on direction from Legal and City Council. We still have nothing to do at this time, so we need to move on to the next item. Ms. Carr advised that she has added a memo to the packet. Mr. Useton stated that they do not need to discuss it because it is part of an ongoing investigation. This needs to be held off; we do not have any new information. Ms. Carr asked what the hold up was. Mr. Useton advised that we are waiting for the City to provide us with information as to why we can do it or why we don't do it. Ms. Carr advised that the memo is included in the packet because she wanted her position known again, in writing.
- 9. Discuss/Action: Pest Control - Exterminator needed for EDC Office:** Ms. Carr expressed a need for this service. She has contacted the landlord, but was informed that they only do it for residential, not commercial, tenants. She was advised to check the lease; and if we are required to pay for the service, be sure to have an amount included in the new budget. Timmerle Kelly made a motion to get the building sprayed for bugs. Kaaren Teuber seconded the motion. The motion passed unanimously. Mr. Lewis recommended getting three quotes. Ms. Carr stated she would ask CDC to share in the cost.
- 10. Discuss/Action: Junked Equipment Disposal – Process and Procedure:** Ms. Carr advised the board that there are several pieces of old equipment no longer in use and was wondering what the process/procedure is for disposing of these items. Ms. Kelly advised that the items were all low cost, and not qualified as assets. She requested a list of the items, and we will vote on disposal at the next meeting. Mayor Cooper asked if any of the items on a City inventory. Ms. Kelly stated that a list of items with serial numbers will suffice for a board vote at the next meeting.
- 11. Discuss/Action: EDC Board of Directors: Schedule Next Board Meeting Date & Time; Accountabilities of Board Members; Applications for Board and Review/Revise By-Laws:** Ms. Carr advised the Board that several members' terms expire at the end of this fiscal year. Ms. Kelly is at the end of her second term; Mr. Lewis and Mr. Flynn will complete their first terms. Ms. Carr asked if they were interested in returning. Mr. Flynn advised that he will not. He stated that this has

been a great experience, and he appreciated working with the Board. Mr. Lewis would like to serve another term, and will fill out a new application. Ms. Carr stated that she would like to post the openings on our website. The Board will review applications and then make a recommendation to the City. Mr. Uselton stated that there are some applications already at the City. Ms. Teuber advised that the procedure was for applications to come to the Board first for our approval, and then we send our recommendation(s) to City Council. Ms. Kelly stated that we had reviewed this procedure several years ago. Mr. Uselton stated that he would get a copy of the applications that the City has for us to review. Mr. Flynn will finish out his current term.

Discussion was had on when to have the next Board Meeting. Friday, July 21st at 6:30 pm is the agreed upon date and time.

Revision of the By-Laws is tabled until the next Regular Board Meeting. The revised By-Laws should be in place by the end of this fiscal year.

12. Discuss/Action: Begin Budget Process for FY 2017-2018, Input on Budget Items, Schedule Workshops/Meetings:

Ms. Kelly advised that Jodi & Doti will work on putting together a preliminary budget, and we need to schedule a Special Meeting to work on it. It was agreed to hold a Budget Workshop on Friday, July 14th at 6:30 pm. Ms. Carr asked for any input on items to be added to the budget. Ms. Teuber suggested Training; Mr. Lewis added the exterminator. Ms. Carr would like to have a Strategic Plan, which Ms. Teuber strongly agreed with. Additions to the By-Laws need to include building the business climate, Strategic Planning and Resource Development. Ms. Carr stated that we needed a game plan: the Board needs to know what their focus is and how they want her to move forward.

13. Director's Report of EDC Monthly Activities: Ms. Carr provided her report in the meeting packet and went over certain items. She received a TEDC Workforce Excellence Award as a member of the Texoma Regional Consortium. She has been actively participating on their manufacturing committee, trying to get training into our schools. Regarding BRE: she has met twice with managers at Foxworth and once with managers at Rite Screen. The BET teachers we sponsored were Jana Tinsley and Rebecca Bearden. It was requested that one or both of them attend our next meeting to give us feedback. Ms. Carr was able to get GCEC to participate this year, and stated that they look forward to participating next year. She also included notes from the City Council and Planning & Zoning meetings, as well as Mr. McManus' Capital Projects Advisory Committee Semi-Annual Report.

14. Enter into closed Executive Session pursuant to Chapter 551, Texas Government Code for deliberation regarding: The Board went in to Executive Session at 8:15 pm

a. Section 551.087 Deliberations Regarding Economic Development Negotiations:

- i. to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or
- ii. to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1).

Update on Project Leaf, Update on Project FP

- b. Section 551.072 Deliberations Regarding Real Property: to deliberate the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.**

Update on Project Chicken

- c. Section 551.074 Deliberations Regarding Personnel Matters:**

- i. to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or**
- ii. to hear a complaint or charge against an officer or employee**

EDC Director, Board Member

Reconvene into Open Session: The Board reconvened in to open session at 8:52 pm

15. Action as a result of Executive Session: No Action

16. Comments of President, Mayor, City Manager, City Council Member(s) and Board Member(s):

Mr. Uselton thanked everyone for being here for a late night. We've got some work to do in this next month on the budget. Thank you to all of those who attended the meeting (guests remaining) – first time having guests. We appreciate your interest in the EDC and the business here.

17. Adjourn: Randy Uselton made a motion to adjourn the meeting. Patrick Flynn seconded the motion. Mr. Uselton, Mr. Flynn and Ms. Kelly voted in favor. Ms. Teuber and Mr. Lewis opposed. Motion carried. Meeting adjourned at 8:54 pm.

The next scheduled meeting is a Budget Workshop on Friday, July 14, 2017, at 6:30 pm.

The next Regular Board Meeting will be on Friday, July 21, 2017, at 6:30 pm.