

**NOTICE OF REGULAR MEETING OF THE
MISSION ECONOMIC DEVELOPMENT CORPORATION
JUNE 16, 2015 5:30 P.M.
CITY HALL**

PRESENT:

S. David Deanda, Jr., President
Jody Tittle, Vice President
Richard Hernandez, Secretary
Catherine Garcia
Mayor Norberto Salinas served in the Mayor Position

ABSENT:

Linda Requénez, Treasurer
Abiel Flores

ALSO PRESENT:

Lea Juarez, Progress Times
George Martinez

STAFF PRESENT:

Alex Meade, Chief Executive Office
Randy Perez, Finance Director
Daniel Silva, COO
Judy Vega, Executive Assistant
David Gonzales, Accountant
Martin Garza Jr., City Manager

1. Call to order

With a quorum being present President S. David Deanda Jr. called the meeting to order at 5:36 p.m.

2. Approval of Minutes – May 28, 2015

There being no corrections or additions Richard Hernandez moved for approval. Motion was seconded by Jody Tittle and approved 5-0.

3. Approval of MEDC Financial Statements for May 2015

Finance Director Randy Perez presented and recommended approval of the Financial Statement for May 2015.

There being no corrections or additions Catherine Garcia moved for approval. Motion was seconded by Jody Tittle and approved 5-0.

4. Approval of Budget Amendment to FY 2014-2015 Budget: Small Business and Workforce Development Program in an amount not to exceed \$30,000.

Finance Director Randy Perez presented and recommended approval of the Budget Amendment to FY 14-15 budget, Small Business and Workforce Development in an amount not to exceed \$30,000. Mr. Meade mentioned that if approved, this amendment was to spearhead the “Engenuity” program, a program designed to teach students about engineering and technology.

Catherine Garcia moved for approval of Budget Amendment to FY 2014-2015 Budget for Small Business and Workforce Development Program in an amount not to exceed \$30,000, contingent upon

there being no public comments between today and June 23, 2015, the day the public comment period ends. Motion was seconded by Richard Hernandez and approved 5-0.

The notice of public hearing and notice of intention to amend the budget was published on April 24, 2015 and the 60 day comment period will end June 23, 2015.

5. Authorization to publish notice of intention to authorize a Budget Amendment to the FY 2014-15 Budget and schedule a public hearing for July 21, 2015 related to said authorization

Mr. Meade said he would like the Board's authorization to publish a notice of intention to authorize a Budget Amendment to the FY 2014-15 Budget and schedule a public hearing on July 21, 2015 for the following project: Manufacturing Expansion Project in an amount not to exceed \$55,000.

Richard Hernandez moved for authorization to publish notice of intention to authorize a Budget Amendment to the FY 2014-15 Budget and schedule a public hearing for July 21, 2015 related to said authorization. Motion was seconded by Catherine Garcia and approved 5-0.

6. Authorization to publish Notice of Intention to Undertake a Project or Projects for FY 2015-2016 and schedule a Public Hearing for July 21, 2015 related to MEDC Projects for FY 2015-2016

Mr. Meade said he would like the Board's authorization to publish a notice of intention to undertake a project or projects for FY 2015-2016 and schedule a public hearing on July 21, 2015 for consideration of the following projects: A) City of Mission in an amount not to exceed \$1,000,000; B) Texas Citrus Fiesta in an amount not to exceed \$75,000; C) RGV Lead in an amount not to exceed \$75,000; D) Small Business Fund Programs in an amount not to exceed \$250,000; and E) Downtown Façade Improvement Program in an amount not to exceed \$100,000.

Catherine Garcia moved for authorization to publish notice of Intention to Undertake a Project or Projects for FY 2015-2016 and schedule a Public Hearing for July 21, 2015 related to said MEDC projects for FY 2015-2016. Motion was seconded by Richard Hernandez and approved 5-0.

7. Approval of Resolution No. 2015-02, A Resolution of Mission Economic Development Corporation Setting Forth the Corporation's Official Intent to Issue Revenue Bonds or Obligations to Finance and Refinance a Manufacturing Facility for AmeriTex Pipe & Products, LLC and Concrete Real Estate Investments, LLC, or One or More Related Entities; and Authorizing, Ratifying, Confirming and Approving Other Matters in Connection Therewith

Lee McCormick, President with Community Development Associates presented this item by saying that this was an inducement resolution for AmeriTex Pipe & Products, LLC, similar to what MEDC did for AmeriTex back in 2008 for a plant located in Seguin, Texas. Those bonds were refinanced in 2013 and were paid off last year. The company is now expanding with a new facility in Conroe, Texas, north of Houston. They will be manufacturing extremely large concrete culverts and boxed pipes that go underneath the roadways. The bond purchaser will be GE Capital who will issue taxable bonds which will be

taken out with the tax exempt bond issued through MEDC. Mr. McCormick mentioned that there was an update on the resolution in their packets that he'd like to call attention to. Item #6, which says that Montgomery County is the county that would give local approval; however if for any reason should they encounter a problem, he is asking the Board to expand their flexibility by seeking approval at the city of Conroe, Texas level as well. Mr. McCormick reminded the Board that as always, there is no liability to the MEDC or the City of Mission with regards to acting as a conduit to the issuance of these bonds. The bonds will not require any general fund support or tax-payer dollars.

Richard Hernandez moved to approve Resolution No. 2015-02 with the noted update on #6. Motion was seconded by Jody Tittle and approved 5-0.

Resolution No. 2015-02

A Resolution of Mission Economic Development Corporation Setting Forth the Corporation's Official Intent to Issue Revenue Bonds or Obligations to Finance and Refinance a Manufacturing Facility for AmeriTex Pipe & Products, LLC and Concrete Real Estate Investments, LLC, or One or More Related Entities; and Authorizing, Ratifying, Confirming and Approving Other Matters in Connection Therewith

8. Approval of Resolution No. 2015-03, A Resolution of Mission Development Corporation Regarding Request of EWM P1, LLC, and Affiliates and Subsidiaries Thereof, For the Issuance of One or More Series of Revenue Bonds and The Inducement Thereof; Authorizing the Filing of One or More Applications For Allocation of Activity Bond Volume Cap, the Publication of Public Hearing Notices and Submission of Requests to Units or Localities Related to Such Issuance; and Authorizing Other Actions, Requests, Approvals and Consents Related Thereto

Lee McCormick, President with Community Development Associates mentioned that this is another inducement resolution for a \$60 million dollar waste water processing facility that will be taking the waste brine from the Kay Bailey Hutchison desalination plant in El Paso for further processing. Once processed and pulling out the heavy minerals (marketable materials) the retreated water will be pumped back to the desalination plant. This process makes the efficiency of the plant go from 85-90% to 98-99% in the cleaning process. This transaction is expected to close sometime in July. Total amount of bonds being requested is between \$45-\$50 million. This transaction is also a traditional conduit financing transaction with no liability to the MEDC or City of Mission. A question was made on the amount of bonds requested which is capped at \$50 million. Mr. McCormick said that they expect to request \$45 million; however, a "not to exceed amount of \$50 million" was included in the agreement.

Catherine Garcia moved to approve Resolution No. 2015-03 as presented. Motion was seconded by Jody Tittle and approved 5-0.

Resolution No. 2015-03

A Resolution of Mission Development Corporation Regarding Request of EWM P1, LLC, and Affiliates and Subsidiaries Thereof, For the Issuance of One or More Series of Revenue Bonds and The Inducement Thereof; Authorizing the Filing of One or More Applications For Allocation of Activity Bond Volume Cap, the Publication of Public Hearing Notices and Submission of Requests to Units or Localities Related to Such Issuance; and Authorizing Other Actions, Requests, Approvals and Consents Related Thereto

9. President's Comments

Mr. Meade mentioned that staff has been assisting TCX not only with their Wonderful Citrus merger, but also with the marketing and sale of a 20 acre tract that belonged to TCX. He said that three or four new companies will be moving into the industrial park. Mr. Meade mentioned that Wonderful Citrus will be investing about \$50 million on the acquisition and improvements of TCX.

10. Adjournment

Catherine Garcia moved to adjourn the meeting. Motion was seconded by Mayor Norberto Salinas and approved 5-0. Meeting was adjourned at 5:50 p.m.

S. David Deanda, Jr., President

ATTEST:

Richard Hernandez, Secretary