

**NOTICE OF SPECIAL MEETING
MISSION ECONOMIC DEVELOPMENT CORPORATION
JANUARY 30, 2018 5:30 P.M.
CENTER FOR EDUCATION AND ECONOMIC DEVELOPMENT**

PRESENT:

S. David Deanda, Jr., President
Richard Hernandez, Vice President
Pete Jaramillo, Secretary
Linda Requénez, Treasurer
Catherine Garcia
Mario Garza
Councilman Ruben D. Plata served in the Mayor Position

ABSENT:

ALSO PRESENT:

Luis Lopez, BML CPAs & Advisors
Adelita Felix, BML CPAs & Advisors
Rick Longoria, BML CPAs & Advisors
Patricia Martinez, RGV Guardian
Jose De Leon, Progress Times
Ricardo A. Perez, Pathfinder Public Affairs

STAFF PRESENT:

Alex Meade, Chief Executive Office
Angie Vela, Finance Director
Daniel Silva, COO
Ezeiza Garcia, Assistant Finance Director
Judy Vega, Executive Assistant
David Gonzales, Accountant
Martin Garza Jr., City Manager
Edel Garza, Accountant
Janette Molina, MEDC Receptionist
Randy Perez, Deputy City Manager
Tecló Garcia, Director of Strategic
Partnerships & Program Development
Cristina Garza, Program Director
Shaine Mata, Facility Manager
J.P. Terrazas, City Engineer
Jorge Andres Garcia, Career Services
Coordinator

1. Call to order.

With a quorum being present President S. David Deanda Jr., called the meeting to order at 5:37 p.m.

2. Approval of Minutes – November 16, 2017.

There being no corrections or additions Richard Hernandez moved for approval. Motion was seconded by Mario Garza and approved 7-0.

3. Approval of Financial Statements for Quarter Ending December 31, 2017.

Accountant David Gonzales presented and recommended approval of the Financial Statements for Quarter Ending December 31, 2017.

There being no corrections or additions Councilman Ruben D. Plata moved for approval. Motion was seconded by Catherine Garcia and approved 7-0.

4. Approval of Budget Amendment.

Accountant David Gonzales presented and recommended approval of the Budget Amendment. He mentioned that this amendment was related to MEDC's \$2 million loan from Lone Star National Bank. The amendment was to adjust for a \$49,395 carryover from FY 2016-2017. Mr. Meade mentioned that this loan was obtained out to purchase furniture and equipment for the CEED building. Questions were made regarding the Machinery and Equipment category in which this surplus amount was being carried over, and on whether it could be categorized into something else. Finance Director Angie Vela said that there was an outstanding purchase order in that amount.

There being no corrections or additions Catherine Garcia moved for approval. Motion was seconded by Councilman Ruben Plata and approved 7-0.

5. Acceptance of Quarterly Report for Investments for the Quarter ending December 31, 2017 and Interest Earned for Three Months ending December 31, 2017.

Assistant Finance Director Ezeiza Garcia presented and recommended approval of the quarterly report.

There being no corrections or additions Councilman Ruben Plata moved for approval. Motion was seconded by Catherine Garcia and approved 7-0.

6. Approval of MEDC Financial Statements and Independent Auditor's Report for Fiscal Year ending September 30, 2017.

Finance Director Angie Vela introduced Rick Longoria with Burton McCumber & Longoria CPAs & Advisors. Mr. Longoria presented the board the FY 2016-2017 Audit Report. He mentioned that the firm Burton McCumber & Cortez, LLP is now Burton McCumber & Longoria, LLP (BML) effective Jan. 1, 2018. He mentioned the firm had given the audit a clean opinion with good numbers and no major adjustments. Mr. Longoria talked about the firm's comments made in the management letter. Three comments were made with the first related to the policies and procedures that the EDC utilizes which sometimes conflict with the City's policies. Mr. Longoria recommends the implementation of policies and procedures that are more indicative and reflective to the operations of the MEDC. Mr. Meade agreed that the EDC needs to come up with their own policies and procedures and he will be looking at other EDCs and their policies. Our policies and procedures will also be reviewed by the City of Mission's Purchasing Department and City Council. City Manager Martin Garza Jr. stated that most of the things affecting the EDC are in the administrative side of the entity, like petty cash, where they have a limit of \$25 a day, or other daily activities that may not be necessary to take to a higher level. He recommends that the EDC have a threshold on anything over \$10,000 which will require

City Council approval, just like it does now. The second comment was related to a deficit net position of \$1.7 million, as expenses exceeded revenues. Net position is defined as the position the EDC would be in if all project obligations were called. For example, the EDC plans to pay certain incentives over a period of many years. These incentive payments are budgeted annually; however, if all the total of the annual incentive payments were due today, the EDC would be operating at a deficit. The third comment relates to the Mission Education Development Council, Inc. Mr. Longoria said that the Mission Education Development Council, Inc., should operate on a budget of its own that shall be associated with the grant funds it receives. Mr. Meade said that most of the grants we receive are applied to only educational programs, but that yes, he will create a budget for the entity. Adele Felix, Auditor with BML briefed the Board on specific pages of the report, such as notes to financial statements, the firm's responsibility, and their opinion. No further comments were made.

After the presentation, Mario Garza moved to approve MEDC's Financial Statements and Independent Auditor's Report for Fiscal Year ending September 30, 2017. Motion was seconded by Pete Jaramillo and approved 7-0

7. Approval of Professional Services Agreement with Pathfinder Public Affairs.

CEO Alex Meade stated that one of the newest projects the Mission EDC is working on is the new Madero International Bridge. Mr. Meade mentioned that in order to speed up approval and funding, we need to get the project on TxDOT's Border Master Plan. Pathfinder Public Affairs will assist in getting the project on the Border Master Plan with TxDOT. Ricardo A. Perez, Associate with Pathfinder Public Affairs will be assisting in the process. The City of Mission and the Bridge Board are also working on getting this project moving forward. Pathfinder Public Affairs played a big role in getting the Anzalduas International Bridge on the Border Master Plan. Mr. Perez mentioned that the Presidential Permit to build the Madero International Bridge was obtained in the 1970s, but that it has become dormant for many years. He mentioned that there is a degree of urgency to getting the project started because there are only 36 months left. Pathfinders will be representing Mission EDC on this project. Mr. Perez said he will also assist the Mission EDC on other projects while onboard. Pete Jaramillo mentioned he would like for the "reasonable out of pocket expenses reimbursement" stipulated in the contract be monitored closely. City Manager Martin Garza Jr. mentioned that there are several entities working on this project and that in Mexico, 95% of a feasibility study has been completed. This bridge will service three major components: Commercial, residential vehicular traffic, and rail. No further comments were made.

Councilman Ruben Plata moved for approval of Professional Services Agreement with Pathfinder Public Affairs in the amount of \$6,500 per month beginning February 1, 2018 thru Sept. 30, 2018. Motion was seconded by Pete Jaramillo and approved 7-0.

8. Mission Event Center Presentation.

City Manager Martin Garza Jr. introduced City Engineer J.P. Terrazas who provided the Mission Event Center presentation. Mr. Terrazas stated that he is the Project Manager for the Mission Even Center as well as the new Water Tower project. Construction on the Mission Event Center began in January 2017 and is expected to be completed by March 16, 2018. In a power point presentation, Mr. Terrazas displayed the main lobby, the video walls, concession stands (one inside and one outside), the main salon, chandeliers, and parking spaces for 400 vehicles. He said each of the seven rooms will have a

capacity of 70-80 people. Kitchen equipment should be arriving in two weeks. Two lighted water fountains will also be displayed outside. Walking trails will be available at the site. The Board viewed

images of the patio, the concession stand, and the kitchen, as well as renderings of the walking trails. Mr. Terrazas mentioned that some events have already been booked at the events center with a first one being from Idea Academy on April 1, 2018. He also displayed some images of Mission's newest Water Tower project. A \$2 million project, the construction of the 750,000-gallon water tower began in the summer of 2017 and should be completed by the summer of 2018. The contractor is Landmark Construction. City Manager Martin Garza Jr. provided a folder with marketing information of the event center for the Board to review. The rental rates vary from resident, non-resident, non-profit, and corporate/promoters. No further comments were made.

No action was taken.

9. President's Comments.

CEO Alex Meade introduced Jorge Andres Garcia, MEDC's new Career Services Coordinator. Mr. Garcia will be managing the new grant the Mission EDC just received from Texas Workforce Commission. Mr. Garcia was born and raised in Mission and holds a B.A. degree, MBA from UTRGV, as well as a Master's degree in Bio Technology from John Hopkins University.

10. Adjournment.

Councilman Ruben Plata moved to adjourn the meeting. Motion was seconded by Linda Requenez and approved 7-0. The meeting was adjourned at 6:57 p.m.

S. David Deanda, Jr., President

ATTEST:

Pete Jaramillo, Secretary