

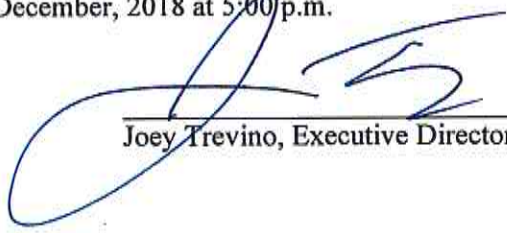


EDINBURG ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS
SPECIAL MEETING
January 2, 2019
12:00 P.M.

NOTICE IS HEREBY GIVEN THAT a Special Meeting of the Edinburg Economic Development Corporation (EEDC) Board of Directors has been set for the 2nd of January, 2019, at 12:00 p.m. at the Edinburg City Hall, located at 415 West University Drive, Edinburg, Texas to consider the following:

1. Call meeting to Order, Establish Quorum.
2. Roll Call and Certification of Posting of Meeting.
3. Consider approval of Board of Directors' Minutes for the November 5, 2018 Board Meeting.
4. Discuss and consider approval of an auditing firm for the EEDC 2017-2018 Fiscal Year Audit.
5. Discuss and consider approval of line item transfers to the 2018-2019 Fiscal Year Budget.
6. Discuss and consider authorizing the Executive Director to enter into a Professional Services Agreement for legislative services.
7. Adjourn

I hereby certify this notice was posted in accordance with the Texas Open Meeting Act, Tex. Gov. Code Secs. 551 and 552, et. seq., at the bulletin board located at the main entrance to the City Offices of the City of Edinburg at 415 West University Drive, the outside bulletin board, visible and accessible to the general public during and after regular working hours, and on the internet at www.edinburgedc.com. This notice was posted on the 28th day of December, 2018 at 5:00 p.m.



Joey Trevino, Executive Director

Persons with disabilities who need to communicate more effectively with the Edinburg Economic Development Corporation officials and who may need auxiliary aids or services, such as interpreters for persons who are deaf or hearing impaired, are requested to contact the office of the Edinburg Economic Development Corporation at 956-383-7124, twenty-four (24) hours prior to any meeting, so that appropriate arrangements can be made.



MINUTES OF THE
EDINBURG ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS SPECIAL MEETING

LOCATION: City of Edinburg
City Hall-Council Chambers
415 West University Dr.
Edinburg, Texas 78541

SPECIAL MEETING
NOVEMBER 05, 2018
12:00 P.M.

PRESENT: Gilbert Enriquez, President
Mayor Richard Molina, Director
Jorge Salinas, Secretary-Treasurer
David Torres, Director

ABSENT: Mike Farias, Vice-President

STAFF: Joey Trevino, EEDC Executive Director
Myra L. Ayala Garza, Director of Business Operations and Marketing
Michael Balderas, Small Business, Workforce Development and Special Events
Coordinator
Aaron Vela, EEDC Attorney

1. CALL MEETING TO ORDER, ESTABLISH QUORUM.

President Gilbert Enriquez called the meeting to order at 12:00 p.m. and established quorum.

2. ROLL CALL AND CERTIFICATION OF POSTING OF MEETING.

President Gilbert Enriquez, Mayor Richard Molina, Secretary-Treasurer Jorge Salinas, and Director David Torres were present.

Vice-President Mike Farias was absent.

Executive Director Joey Trevino confirmed the notice was posted in accordance to the Texas Open Meetings Act. This notice was posted on the 1st day of November, 2018 at 12:00 p.m.

Motion was made by Secretary-Treasurer Jorge Salinas, Seconded by Director David Torres to Enter into Executive Session at 12:00 p.m.

After consideration, the Motion prevailed with the following:

AYES: President Gilbert Enriquez, Mayor Richard Molina, Secretary-Treasurer Jorge Salinas, and Director David Torres

NAYS: None

ABSENT: Vice-President Mike Farias

ABSTAINED: None

Motion carried.

3. THE EEDC BOARD WILL CONVENE IN EXECUTIVE SESSION, IN ACCORDANCE WITH THE TEXAS OPEN MEETINGS ACT, VERNON'S TEXAS CIVIL STATUTES ANNOTATED, GOVERNMENT CODE, CHAPTER 551, SUBCHAPTER D, EXCEPTIONS TO REQUIREMENTS THAT MEETINGS BE OPEN, TO DELIBERATE UNDER THE FOLLOWING SECTIONS:

- SECTION 551.071, CONSULTATION WITH ATTORNEY;
- SECTION 551.072, DELIBERATIONS REGARDING REAL PROPERTY;
- SECTION 551.087, DELIBERATIONS REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS.

THE EEDC BOARD MAY ELECT TO GO INTO EXECUTIVE SESSION ON ANY ITEM WHETHER OR NOT SUCH ITEM IS POSTED AS AN EXECUTIVE SESSION ITEM AT ANY TIME DURING THE MEETING WHEN AUTHORIZED BY THE PROVISIONS OF THE TEXAS OPEN MEETINGS ACT. THE BOARD WILL DELIBERATE THE FOLLOWING ITEMS:

- A. Consultation with Attorney:
1. Potential or Threatened Litigation regarding Agustin "Gus" Garcia
- B. Deliberate possible action regarding the Lease Agreement and Option to Purchase with Nu-Co Tool, Inc.

FOLLOWING EXECUTIVE SESSION, THE BOARD OF DIRECTORS WILL RECONVENE AND CONSIDER TAKING APPROPRIATE ACTION ON THE EXECUTIVE SESSION ITEMS.

Motion was made by Secretary-Treasurer Jorge Salinas, Seconded by Director David Torres to Reconvene into Open Session at 12:08 p.m.

After consideration, the Motion prevailed with the following:

AYES: President Gilbert Enriquez, Mayor Richard Molina, Secretary-Treasurer Jorge Salinas, and Director David Torres

NAYS: None

ABSENT: Vice-President Mike Farias

ABSTAINED: None

Motion carried.

President Gilbert Enriquez announced there was no action taken in Executive Session.

A. CONSULTATION WITH ATTORNEY: POTENTIAL OR THREATENED LITIGATION REGARDING AGUSTIN "GUS" GARCIA

There was no action taken.

B. DELIBERATE POSSIBLE ACTION REGARDING THE LEASE AGREEMENT AND OPTION TO PURCHASE WITH NU-CO TOOL, INC.

There was no action taken.

4. ADJOURN

Motion was made by Mayor Richard Molina, Seconded by Secretary-Treasurer Jorge Salinas to Adjourn the meeting.

After consideration, the Motion prevailed with the following:

AYES: President Gilbert Enriquez, Mayor Richard Molina, Secretary-Treasurer Jorge Salinas, and Director David Torres

NAYS: None

ABSENT: Vice-President Mike Farias

ABSTAINED: None

Motion carried.

The meeting was adjourned at 12:08 p.m.

**EDINBURG ECONOMIC DEVELOPMENT
CORPORATION**

By: 

Joey Trevino, Executive Director

AGENDA ITEM AND RECOMMENDATION SUMMARY
EDINBURG ECONOMIC DEVELOPMENT CORPORATION
SPECIAL MEETING
January 3, 2019

Item 4: Agenda

Discuss and consider approval of an auditing firm for the EEDC 2017-2018 Fiscal Year Audit.

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STAFF COMMENTS AND RECOMMENDATION:

Attached is a list of local auditing firms for which a Request for Proposal was requested.

RECOMMENDATION:

Consider approval of an auditing firm for the EEDC 2017-2018 Fiscal Year Audit.

Prepared by:



JOEY TREVINO
EXECUTIVE DIRECTOR

.....
RECORD OF VOTE:

APPROVED: _____
DISAPPROVED: _____
TABLED: _____

Jorge Salinas
President

Gilbert Enriquez
Vice-President

Mike Farias
Secretary-Treasurer

Mayor Richard Molina
Director

David Torres
Director

RFP No. 001-2019EEDC Auditing Services
Firms Listing

Hales-Bradford LLP
Attn: Billy Bradford Jr.
855 West Price Road, Ste. 25
Brownsville, TX 78520

Givilancz & Martinez PLLC
Attn: Rudy Salinas, CPA/Cheryl Bellamy CPA
2300 West Pike Blvd., Ste. 201
Weslaco, TX 78596

Burton McCumber & Longoria LLP
Attn: Ricky Longoria
205 Pecan Blvd.
McAllen, TX 78501

Noel Garza, CPA PC
4418 South McColl Rd.
Edinburg, TX 78539

Carr, Riggs & Ingram
(formerly Long Chilton LLP)
4100 N. 23rd St.
McAllen, TX 78504

Oscar R. Gonzalez, CPA & Associates, PLLC
208 West Ferguson Unit #1
Pharr, Texas 78577

Carlos Cascos, CPA
765 E 7th St. A
Brownsville, TX 78520

AGENDA ITEM AND RECOMMENDATION SUMMARY
EDINBURG ECONOMIC DEVELOPMENT CORPORATION
SPECIAL MEETING
January 3, 2019

Item 5: Agenda

Discuss and consider approval of line item transfers to the 2018-2019 Fiscal Year Budget.

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STAFF COMMENTS AND RECOMMENDATION:

Attached please find the EEDC Budget for Fiscal Year 2018-2019 with recommended changes for estimated expenses.

1. Line Item Transfer from *Architectural and Engineering Services* to **Debt Service** in the amount of \$273,752.00 for the Arena Bond Shortfall.
2. Line Item Transfer from *Architectural and Engineering Services* to **Accounting Expense** in the amount of \$25,000.00 for additional expected expenses.
3. Line Item Transfer from *Architectural and Engineering Services* to **Legal Expense** in the amount of \$51,248.00 for additional expected expenses.
4. Line Item Transfer from *Economic Development Incentives* to **Legal Expense** in the amount of \$48,752.00 for additional expected expenses.

RECOMMENDATION:

Approve line item transfers to the 2018-2019 Fiscal Year Budget.

Prepared by:



JOEY TREVINO
EXECUTIVE DIRECTOR

.....
RECORD OF VOTE:

APPROVED: _____
DISAPPROVED: _____
TABLED: _____

Jorge Salinas
President

Gilbert Enriquez
Vice-President

Mike Farias
Secretary-Treasurer

Mayor Richard Molina
Director

David Torres
Director

Edinburg Economic Development Corporation
Budgeted Statement of Cash Receipts, Disbursements and Cash Balances
For the Fiscal Year Ended September 30, 2019

	Fiscal Year 2019 Staff Recommended Amendments to the Budget	Fiscal Year 2019 Approved Budget	Affects of Recommended Amendments
REVENUES			
1/2 Cent Sales Tax Revenue	\$ 5,300,000	\$ 5,300,000	\$ -
Interest on Investments	-	-	-
Lease Payments	91,050	91,050	-
Sale of Property	-	-	-
HOT Receivable	-	-	-
Notes Receivables: Santana Textiles [6 months]*	520,491	867,485	(346,994)
Revenues for Debt Service**	-	-	-
Reserves Used for Debt Service: GS Construction Account	25,746	25,746	-
Reserves Used for Debt Service: GS Sinking & Interest	10,607	10,607	-
Reserves Used for Debt Service: TX National Arena Shortfall***	800,000	890,000	(90,000)
TOTAL REVENUES	6,747,894	7,184,888	(436,994)
DISBURSEMENTS			
Personnel Expenses			
Salaries	374,000	374,000	-
Taxes and Benefits	106,154	106,154	-
Total Personnel Expenses	480,154	480,154	-
Operating Expense			
Board Expenses	2,000	2,000	-
Communications/Telephone	7,200	7,200	-
Conference Fees	7,000	7,000	-
Continuing Education	2,500	2,500	-
Equipment Leasing	4,000	4,000	-
Membership Dues/Subscriptions	5,000	5,000	-
Miscellaneous Expense	2,000	2,000	-
Furniture, Fixtures, and Equipment	5,000	5,000	-
Insurance & Bond Expense	800	800	-
Computer Software Expense	2,000	2,000	-
Security Expense	360	360	-
Copy Expense	1,800	1,800	-
File Storage Expense	4,500	4,500	-
Office Supplies	5,000	5,000	-
Postage	500	500	-
Utilities	5,000	5,000	-
Travel/Meals & Entertainment	75,000	75,000	-
Total Operating Expense	129,660	129,660	-
Maintenance Expense			
Renaissance Industrial Park	6,500	6,500	-
North Industrial Park	15,000	15,000	-
EEDC Property Maintenance	4,000	4,000	-
Total Maintenance Expense	25,500	25,500	-
Marketing Expense			
Marketing Activities	200,000	200,000	-
Sponsorships	100,000	100,000	-
Total Marketing Expense	300,000	300,000	-
Contractual Services			
Legislative Coordinator	100,000	100,000	-
News Media Services	60,000	60,000	-
Accounting	50,000	25,000	(25,000)
Legal	200,000	100,000	(100,000)
Architectural and Engineering Services	50,000	400,000	350,000
Feasibility Studies & Reports	80,000	80,000	-
UTRGV/CEED-Technical Assistance	30,000	30,000	-
Total Contractual Services	570,000	795,000	225,000

Edinburg Economic Development Corporation
Budgeted Statement of Cash Receipts, Disbursements and Cash Balances
For the Fiscal Year Ended September 30, 2019

	Fiscal Year 2019 Staff Recommended Amendments to the Budget	Fiscal Year 2019 Approved Budget	Affects of Recommended Amendments
Developmental Expenditures			
Small Business Program	120,000	120,000	-
Economic Development Incentives	721,248	770,000	48,752
Other Capital Improvements			
GRH Investments	100,000	100,000	-
Qube Hotel/Marriott Signage	50,500	50,500	-
Binning Hospitality/Mainstay	25,000	25,000	-
Vantage Ventures/DPS	102,000	102,000	-
Durga Properties	50,000	50,000	-
Transit Facility	200,000	200,000	-
Oceangate/Hilton Hotels	250,000	250,000	-
Haidar/Walk-Ons	50,000	50,000	-
Total Other Capital Improvements	<u>827,500</u>	<u>827,500</u>	<u>-</u>
Total Developmental Expense	1,668,748	1,717,500	48,752
Capital Outlay			
Purchase of Property	350,000	350,000	-
Work In Progress	-	-	-
Total Capital Outlay	<u>350,000</u>	<u>350,000</u>	<u>-</u>
EEDC Properties			
Property Taxes	110,000	110,000	-
Debt Service			
Ebony Hills	267,198	267,198	-
Parks & Rec	531,624	531,624	-
Santana	668,603	668,603	-
Arena Shortage	1,073,752	800,000	(273,752)
TX Comptroller	24,919	24,919	-
Total EEDC Properties	<u>2,566,096</u>	<u>2,292,344</u>	<u>(273,752)</u>
Total EEDC Properties	2,676,096	2,402,344	(273,752)
Reserve for Contingency/Bad Debt			
Total Contingency	-	-	-
TOTAL DISBURSEMENTS	<u>6,200,158</u>	<u>6,200,158</u>	<u>-</u>
Total Receipts Over Disbursements	\$ 547,736	\$ 984,730	(436,994)
Actual and Estimated Operating Cash, Beginning of Year	<u>2,128,422</u>	<u>2,180,000</u>	<u>(51,578)</u>
Estimated Operating Cash, End of Year	<u>\$ 2,676,158</u>	<u>\$ 3,164,730</u>	<u>(488,572)</u>

FOOTNOTES:

*Santana N/R: With only 9 months remaining of the fiscal year, we are estimating that we will receive 6 months of payments.

**Revenues for Debt Service are revenue receipts directly transferred to the Debt Service bank account and used for the budgeted items of Debt Service expenditures.

***Reserves Used for Debt Service are monies used for the budgeted Debt Service expenditures paid by the Reserves bank accounts.