



Meeting Minutes

Corpus Christi Business and Job Development Corporation

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Monday, June 19, 2017

4:00 PM

City Council Chambers

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A. President Bryan Gulley to call the meeting to order.

President Gulley called the meeting to order at 4:03 p.m.

B. Call Roll and Excuse Absences

President Gulley verified that a quorum of the Board was present to conduct the meeting.

(Note: Mr. Guerra arrived at 4:11 p.m.)

Present: 5 - President R. Bryan Gulley, Secretary Gabriel Guerra, Board Member Bart Braselton, Board Member Randy Maldonado and Board Member Lee Trujillo

C. MINUTES

1. Approval of Minutes of the May 15, 2017 Meeting.

President Gulley referred to approval of the minutes. Mr. Trujillo made a motion to approve the minutes, seconded by Mr. Braselton and passed (Guerra was absent).

D. FINANCIAL REPORT

2. Financial Report as of April 30, 2017.

President Gulley referred to Item 2. Assistant Director of Financial Services Alma Casas presented the sales tax report; cash flow statements; the commitment reports; and the pro forma for the economic development fund.

Board members and staff discussed the following topics: whether internet sales are affecting sales tax; the cash flow statements reflecting an expenditure for audit recovery fees; and administration charges.

E. CLOSED SESSION ITEMS: (NONE)

F. AGENDA ITEMS: (ITEMS 3-6)

3. **Arena Fund - Re-Appropriating Remaining Funds**

Motion approving the re-appropriation and expenditure not to exceed

\$95,000 for the purchase of a Zamboni ice resurfacer for the American Bank Center Arena.

President Gulley referred to Item 3. Shileen Lee, Director of Finance - SMG/American Bank Center, stated that the purpose of this item is to approve the re-appropriation of \$95,000 from the \$1.3 million remaining in the Visitor Facility Fund to purchase a new Zamboni ice resurfacer.

A board member asked questions regarding the disposal of the current Zamboni.

Mr. Trujillo made a motion to approve Item 3, seconded by Mr. Guerra and passed unanimously.

4.

**Seawall Fund - Museum of Science and History Floodwall**

Motion approving the Corpus Christi Museum of Science and History Floodwall project and appropriating \$500,000 from the unreserved fund balance in the No. 1120 Seawall Improvement fund for the project, including the cost of a professional engineering services contract in the amount of \$236,310 for survey, design, permitting, bid and construction phase services for the Corpus Christi Museum of Science and History Floodwall.

This item was pulled by staff.

5.

**FY 2017 - 2018 Proposed Operating Budget**

Motion to approve the Corporation's Fiscal Year 2017-2018 operating budget for the Seawall Fund #1120, the Seawall Debt Service Fund #1121, the Arena Facility Fund #1130, the Arena Facility Debt Service Fund #1131, the Business/Job Development Fund #1140, and the Baseball Stadium Debt Service Fund #1141.

President Gulley referred to Item 5. Director of Management and Budget Eddie Houlihan provided a brief overview of the changes made to the proposed operating and debt services budgets for the seawall, arena, and business/job development funds since presented at the May Type A meeting; programs/projects in the economic development fund; Corpus Christi Regional Economic Development Corporation's cost allocation; and administrative services charges.

Board members and staff discussed the following topics: transfer to CIP in seawall fund; the projected sales tax for FY2018; interest on investments; funding for the co-promotion fund; retractable seating replacement at the arena; standard deferred maintenance at the arena; the vetting process for capital improvements projects at the arena; a future tour for board members of the arena; sale of the assets at the arena; the proposed increase of \$125,000 for economic development; staff's recommendation to fund the total amount of administrative service charges; the percentage of administrative fees allocated in previous years; the full cost study for administrative fees; the reasons administrative charges were not allocated prior to 2015; and the language in the Corporation's by-laws referring to payment of administrative charges.

Mr. Guerra made a motion to amend the FY2017-2018 Proposed Operating

Budget by allocating \$82,627 for administrative service charges to be split evenly by the three funds, seconded by Mr. Braselton. The motion was approved with the following vote: Guerra, Braselton and Trujillo voting "Aye"; Gulley and Maldonado voting "No".

Iain Vasey, President/CEO of the Corpus Christi Regional Economic Development Corporation (EDC), provided the following information: the City's current funding to the EDC in the amount of \$700,000 a year for services performed; the EDC's tasks for the Type A Board; and consideration for the Type A Board to budget \$125,000 in FY2017-2018 to offset the portion of the costs for services provided to the Type A Corporation.

Discussion included: whether the City would continue to pay \$125,000 for services performed for the Type A Board should the Board chose to not provide funding; consideration to contribute to the EDC directly versus through the City's budget; whether the request for the Type A Board to fund a portion of the EDC is a one-time expenditure; the valuable work performed by the EDC; history of EDC funding over the last 10 years; clarification that the administrative charges are to reimburse for City staff time and the requested EDC funding is for EDC performed tasks; other cities that have Type A staffing; and the timeline for the approval of the budget.

Mr. Maldonado made a motion to table Item 5, seconded by Mr. Braselton and passed unanimously.

**6. FY 2017 - 2018 Proposed Capital Budget**

Motion to approve the Fiscal Year 2018 Seawall Capital Improvement Program Budget, appropriate funds and recommend City Council approval and appropriation of funds in the amount of \$9,300,000.

President Gulley referred to Item 6. Director of Engineering Services Jeff Edmonds stated that the purpose of this item is to approve the FY2018 Seawall Capital Improvement Program Budget. Mr. Edmonds provided a brief overview of the seawall maintenance capital improvement projects.

Board members and staff discussed the following: the barge dock improvements; prior expenditures and encumbrances for the barge dock; the recurring seawall maintenance; the priority of the projects determined by year of funding; the cash flow models for annual sales tax revenue; and a status report of seawall and flood protection projects.

Mr. Braselton made a motion to approve Item 6, seconded by Mr. Trujillo and passed unanimously.

**G. PRESENTATION ITEMS: (ITEMS 7-8)**

**7. Presentation - Whataburger Field Maintenance**

President Gulley referred to Item 7. Business Liaison Alyssa Barrera stated that the purpose of this item is to provide an update on the maintenance plan for Whataburger Field. Ms. Barrera stated that staff has provided an excerpt of the Whataburger Field maintenance agreement and an example of the facility workplan. Michael Woods, Executive Director of Corpus Christi Baseball Club,

was available to respond to questions.

A board member asked questions related to the payment of insurance at the end of the sales tax.

**8. Engineering Services Update - June 2017**

President Gulley referred to Item 8. This item was pulled.

**H. EXECUTIVE DIRECTOR COMMENTS:**

None.

**I. PUBLIC COMMENT**

None.

**J. IDENTIFY FUTURE AGENDA ITEMS**

None.

**K. ADJOURNMENT**

The meeting was adjourned at 5:59 p.m.

*\* Regardless of the agenda heading under which any item is listed, any word or phrase of any item listed on this agenda shall be considered a subject for consideration for purposes of the Texas Open Meetings Act and other relevant laws, and the Board of Directors may deliberate and vote upon any such subject and resolutions related thereto. Any descriptions of property or amounts stated in this agenda are descriptive and not restrictive, and property and amounts may be changed in the motions, actions or documents. In addition to other items listed in this agenda, policies and procedures of this corporation, legal analysis of any items, policies or procedures, and any items that are currently receiving funding from this corporation may be discussed and deliberated and these matters are added as subjects of discussion to this meeting. This agenda has been reviewed and approved by the attorney for the governing body, and the presence of any subject or description in the Executive Session portion of this agenda constitutes a written interpretation of Chapter 551 of the Texas Local Government Code by the attorney for this corporation indicating that said subject or description thereof may be legally discussed in a closed meeting.*