



4-B COMMUNITY DEVELOPMENT CORPORATION

MINUTES

CITY OF MAGNOLIA

4B COMMUNITY DEVELOPMENT CORPORATION

REGULAR MEETING

THURSDAY JULY 14, 2011 - 5:30 P.M.

Sewall Smith City Council Chambers

18111 Buddy Riley Blvd, Magnolia, Texas 77354

A regular meeting of the Magnolia 4B Community Development Corporation met on July 14, 2011, beginning at 5:30 pm, in the Sewall Smith City Council Chambers located at 18111 Buddy Riley Blvd, Magnolia, Texas 77354.

1. CALL TO ORDER

Chairman Frank Parker called the meeting to order at 5:30 pm.

a. INVOCATION

Board member Clyde Hunt delivered the invocation.

b. PLEDGE OF ALLEGIANCE

Chairman Frank Parker lead the pledge of allegiance.

2. ROLL CALL AND CERTIFICATION OF QUORUM

Chairman Frank Parker called roll and certified a quorum present with the following Board members in attendance: Frank Parker, Jerry Reed, Pat Zaiontz, Clyde Hunt and Gari Lynn Hessong.

Absent: Jonny Williams and Andy Mize

Staff present: Executive Director Paul Mendes, City Secretary Lynne George, Economic Development Coordinator Deborah Rose Miller, Farmers Market Coordinator Brenda ("Boo") Henderson

3. CITIZENS FORUM

(No official or formal action or vote may be taken on any comment made by citizens during Citizens Forum)

A Mr. Sean Lundy provided a copy of a book entitled "The Geography of Nowhere" by James Howard Kunstler to the board members, and stated he was very interested in what the local community is doing and considers Magnolia as his hometown.

4. ANNOUNCEMENTS

(Hear announcements concerning items of community interest from the Board members and City staff for which no action shall be taken or discussed.)

There were no announcements.

5. FINANCE MANAGER REPORT- JUNE 2011 FINANCIAL STATEMENT

(Jerry Reed)

The financial statement was provided in the packet. Jerry Reed gave a brief summary of expenses and revenues.

6. CONSENT AGENDA – ROUTINE ITEMS:

(This portion of the agenda consists of items considered to be routine and will be enacted by one motion unless separate discussion is requested by a Board Director or a citizen.)

- a. Approval of the minutes of the meeting of the 4B CDC held on June 9, 2011.

| <u>Vendor</u> | <u>Project #</u> | <u>Amount</u> |
|--|-------------------------|----------------------|
| b. Liles Parker (Inv. #10674) | 500640 | \$ 649.50 |
| c. Tex-Star Rentals (Inv. #115370-1) | Unity Park | \$ 91.80 |
| d. Josh Seaman (Ticket #2101) | Unity Park | \$ 162.50 |
| e. Moore Supply Co. (Inv. #97015) | Unity Park | \$ 462.29 |
| f. WCA (Inv. #010-0000169003) | Yellow house | \$ 65.00 |
| g. Betsy Ross Flag Girl, Inc. | Farmers Mkt | \$ 217.00 |
| h. The Home Depot (#69192) | Yellow house | \$ 1,362.90 |
| i. Elliott Electric Supply (Ticket #28-69356-02) | Unity Park | \$ 74.50 |
| j. Clark's Electric (#224853) | Unity Park | \$ 635.00 |
| k. Star-Tex Power (Inv. #5564376) | Yellow house | \$ 6.83 |
| l. Cajun Ready Mix, Ltd. (Sale #5146) | Unity Park | \$ 191.25 |
| m. Adbrite LED | | \$12,815.50 |
| n. Moore Supply Co. (Inv. #9541957) | Unity Park | \$ 21.10 |
| o. O'Malley Engineers, LLP (Inv. #8275) | | \$27,061.71 |
| p. Pro Paving & Resurfacing (Job #OL61711) | Yellow house | \$19,500.00 |
| q. Tex-Star Rentals (Inv. #115401-1) | Unity Park | \$ 7.65 |
| r. Liles Parker (Inv. #10712) | Admin | \$ 1,739.00 |
| s. Clark's Electric (#224855) | Unity Park | \$ 516.00 |
| t. Words, Inc. (July 6, 2011) | Admin | \$ 173.40 |

MOTION: Upon a motion made by Clyde Hunt to approve items a. through t. and seconded by Gari Lynn Hessong, the Board members present voted and the motion carried unanimously.

OLD BUSINESS

7. CONSIDERATION – C.R.I. GRANT COMPLIANCE

Consideration and possible action to review and approve documentation submitted by CRI to support grant application.

Pat Zaiontz stated that the roof of the cleaners was getting painted and that it looks a lot better. Executive Director Paul Mendes commented that we expect Mr. Foqr to come into compliance with the grant requirements. The building inspector will be asked to take a look at the work done and provide a final report to the Board,

8. APPROVED PROJECTS

(Frank Parker)

- a. Unity Park Project – *(approved 2006-2007)* - Jonny Williams, Pat Zaiontz

Pat Zaiontz reported that he is trying to get a couple of signs for the bridge trails. Executive Director Paul Mendes stated that the benches, tables, wheel stops and speed humps that were ordered should be delivered tomorrow. Two barbeque pits are to be installed, and two ADA restrooms are complete and open.

- b. Yellow House – Pat Zaiontz, Jonny Williams

Pat Zaiontz reported that the parking area is in with room for 26 parking spaces, with room for 10 more by the cleaners. The air conditioning is about to be installed, the gas lines are almost in, and the sewer will be hooked up.

- c. Street Extension Project – *(approved 2006-2007)* – Gari Lynn Hessong, Jonny Williams

Gari Lynn Hessong stated that she and Jonny Williams are going to get together on this item. Executive Director Paul Mendes reported that he and Economic Development Coordinator Deborah Rose Miller, will be presenting a package to the school board for possibly trading water etc for the extension of the property as opposed to buying it outright. Ms. Miller stated that she should know something by the end of the month.

- d. Relocation of water & sewer lines on FM 1774 - *(approved 2011)* – Frank Parker

Executive Director Paul Mendes reported there would be a pre-construction conference at 11:00 am on Tuesday, July 19th.

- e. Economic Development Program – *(approved 2007-2008)* – Jerry Reed

- (i). Grow Magnolia

Chairman Frank Parker asked if the Board felt that “Grow Magnolia” fit under the Economic Development Program project, in general, as it is defined. Discussion followed. Development Coordinator Deborah Rose Miller explained and described the purpose and concept of “Grow Magnolia,” and that it would work in conjunction with the Greater Magnolia Economic Development Partnership. More discussion followed, and also it was agreed to put this on the next agenda for approval with a clarified description.

- f. Farmers Market – Frank Parker

Farmers Market Coordinator Brenda “Boo” Henderson reported on the number of vendors for the farmers market and the craft market, the funds collected, and that the hours were changed to 11:00 a.m. to 3:00 pm. June through September.

- g. Gateways – Pat Zaiontz

Executive Director Paul Mendes stated that our contractor will be ready to start in the next couple of weeks and have all our utility relocations completed before the Renaissance Festival starts and before the contract is let by TxDot. TxDot will have their contractor do the off road prep for the construction during the Renaissance timeframe which will leave the lanes free and clear, and they will not start working on the lanes until the Renaissance is over.

- h. Public Information LED Sign - *(approved 2011)*

City Secretary Lynne George reported that an electrician has been out and has determined that the wiring is good to go, the installer came to do a site inspection and we will need to expand the steel out a bit, and the LED sign has been ordered and should be shipped by the end of the month.

9. CONSIDERATION – YELLOW HOUSE

Consideration and possible action to approve lease agreement for yellow house located at 312 Commerce Street.

A draft lease agreement was provided and modifications were discussed.

MOTION: Upon a motion made by Pat Zaiontz to approve the lease agreement for yellow house located at 312 Commerce Street as modified and seconded by Gari Lynn Hessong, the Board members present voted and the motion carried unanimously.

NEW BUSINESS

10. CONSIDERATION – MATCHING GRANT PROGRAM APPLICATION – LOS FUENTES MEXICAN RESTAURANT

Consideration and possible action to approve grant application submitted by Los Fuentes Mexican Restaurant.

MOTION: Upon a motion made by Gari Lynn Hessong to approve grant application submitted by Los Fuentes Mexican Restaurant and seconded by Clyde Hunt, the Board members present voted and the motion carried unanimously.

11. DESIGNATION OF NEW PROJECTS

- a. Consideration and possible action upon finding that the project will advance the economic interests of the City of Magnolia and is the type of project believed to be within the intent of the statute creating the Economic Development Corporation to adopt and designate the following as a project for funding:

The installation of a pressure reduction valve on the 8-inch water line in Unity Park, thus looping the water line and improving the water pressure and fire protection for the Magnolia business district

and set a date and time for a public hearing.

Executive Director Paul Mendes stated that water station 2 is at a higher elevation than water station 1. This project would be the installation of a pressure equalization valve on the 8" water line in Unity Park, which would loop the water lines from water stations 1 and 2. This would improve water pressure and enhance fire protection for the business district. When the pipes were connected in Unity Park, it was intended to be an interconnected system but due to financial constraints, the valve was not installed. Because of the lack of the valve, water station 2 has been creating an overflow in water station 1. This is about a \$50,000 project. We would purchase the valve, build the vault, and install it.

MOTION: A motion was made by Clyde Hunt upon finding that the project will advance the economic interests of the City of Magnolia and is the type of project believed to be within the intent of the statute creating the Economic Development Corporation to adopt and designate the following as a project for funding: The installation of a pressure reduction valve on the 8-inch water line in Unity Park, thus looping the water line and improving the water pressure and fire protection for the Magnolia business district. The motion was seconded by Jerry Reed. The Board members present voted and the motion carried unanimously.

MOTION: Upon a motion made by Pat Zaiontz to set the public hearing for 5:30 pm on August 11, 2011 and seconded by Clyde Hunt, the Board members present voted and the motion carried unanimously.

- b. Consideration and possible action upon finding that the project will advance the economic interests of the City of Magnolia and is the type of project believed to be within the intent of the statute creating the Economic Development Corporation to adopt and designate the following as a project for funding:

Downtown upgrades, including but not limited to, lighting improvements, drainage improvements, irrigation, parking, and other enhancements.

and set a date and time for a public hearing.

Executive Director Paul Mendes stated that a lot of the work involved is a matter of putting pipes in ditches, backfilling, putting inlets in, enhancing the parking for the businesses, installing irrigation and conduit for electric for not only beautification but for the street lights, etc. which is something our Public Works crew can do which will be a tremendous savings to the community. This is the type of project that does not have to be done all at once, and by the time we get around to purchasing lights, etc., the coffers should be pretty well rejuvenated because we will have to wait until the 1774 project is done, which could be about 18 – 24 months down the road. Mr. Mendes stated that at the budget workshop, he would provide a price tag for the different aspects of this project, with a preliminary budget estimate of \$75,000.

MOTION: A motion was made by Clyde Hunt, pending legal review, upon finding that the project will advance the economic interests of the City of Magnolia and is the type of project believed to be within the intent of the statute creating the Economic Development Corporation to adopt and designate the following as a project for funding: Downtown upgrades, including but not limited to, lighting improvements, drainage improvements, irrigation, parking, and other enhancements. The motion was seconded by Jerry Reed. The Board members present voted and the motion carried unanimously.

MOTION: Upon a motion made by Gari Lynn Hessong, contingent upon legal review, to set the public hearing for 5:30 pm on August 11, 2011 and seconded by Jerry Reed, the Board members present voted and the motion carried unanimously.

- c. Consideration and possible action upon finding that the project will advance the economic interests of the City of Magnolia and is the type of project believed to be within the intent of the statute creating the Economic Development Corporation to adopt and designate the following as a project for funding:

The extension of 6th Street to adjoin Unity Drive.

and set a date and time for a public hearing.

After discussion, it was determined that this was already part of an approved project, so no action was taken.

12. CONSIDERATION – EXECUTIVE DIRECTOR SPENDING AUTHORITY

Consideration and possible action to authorize Executive Director to spend up to \$1,000 prior to Board approval.

MOTION: Upon a motion made by Pat Zaiontz to authorize Executive Director to spend up to \$1,000 prior to Board approval on approved projects and seconded by Gari Lynn Hessong, the Board members present voted and the motion carried unanimously.

13. CONSIDERATION – BUDGET WORKSHOP

- Preliminary discussion of the budget
- Consideration and possible action to set date and time for budget workshop.

Discussion followed. A workshop was set for 4:30 pm on Friday, July 29th.

14. CONSIDERATION – DESIGNATION OF AUTHORIZED SIGNATORIES

Consideration and possible action to designate authorized signatories.

MOTION: Upon a motion made by Gari Lynn Hessong to designate the entire Board as authorized signatories and seconded by Pat Zaiontz, the Board members present voted and the motion carried unanimously.

15. CONSIDERATION – GENERAL ACCOUNTING POLICY

Discussion, consideration and possible action to develop a written policy for the general accounting of 4B CDC accounts.

MOTION: Upon a motion made by Clyde Hunt to develop a written policy for the general accounting of 4B CDC accounts and seconded by Gari Lynn Hessong, the Board members present voted and the motion carried unanimously.

16. CONSIDERATION – IDENTIFYING NEXT PROJECT

Consideration and possible action to identify next project.

No action was taken.

17. BOARD OF DIRECTORS CONCERNS AND REQUESTS

None.

18. EXECUTIVE SESSION

The 4A Economic Development Corporation may convene into a closed session in accordance with the Government Code, Section 551 to discuss the following matters:

- a. §551.074 - Personnel Matters – To deliberate the employment, evaluation, reassignment, duties, or discipline of Economic Development Coordinator.

Chairman Frank Parker recessed the open meeting at 6:47 pm and convened the Executive Session.

Chairman Frank Parker adjourned the Executive Session at 7:11 pm and reconvened the open meeting.

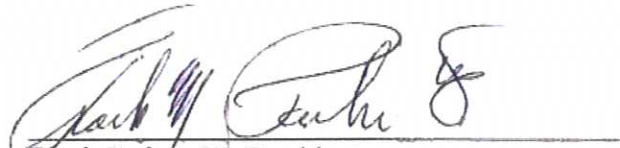
19. CONSIDERATION – EXECUTIVE SESSION

Consideration and possible action regarding matters discussed in Executive Session.

MOTION: Upon a motion made by Pat Zaiontz to approve the Economic Development Coordinator's job description with modifications and seconded by Gari Lynn Hessong, the Board members present voted and the motion carried unanimously.

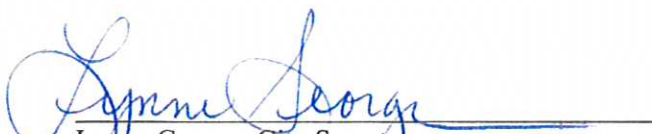
20. ADJOURNMENT

There being no further business, the meeting adjourned at 7:15 p.m.


Frank Parker, III, President

I hereby certify this is a true and correct copy of the minutes of the special meeting held on July 14, 2011, by the Board of the City of Magnolia 4B Community Development Corporation.

ATTEST:


Lynne George, City Secretary

