



**MINUTES OF THE MEETING
OF THE
LEON VALLEY ECONOMIC DEVELOPMENT CORPORATION
Wednesday, October 28, 2015**

I. Call to Order and Determine If Quorum is Present

Board Secretary Joe H. Sanchez called the meeting to order at 6:31 p.m. Board Treasurer Mike McCarley, Board Member David Jordan, and Board Member Monica Alcocer, were present, constituting a quorum. Board President Stephen Ynostrosa and Board Member Patty Manea were excused. Also in attendance were Staff Liaison Claudia Mora, acting as recording secretary, and Economic Development Administrative Assistant Ana Federico.

II. Citizens to be Heard

Ms. Gail Tribble, Treasurer of the Leon Valley Area Chamber of Commerce provided the LVEDC Board with an update on the Chamber's office operations. They've had a steady stream of visitors and inquiries about Leon Valley. Ms. Tribble then presented the LVEDC with a Lifetime Membership to the LVACC.

III. Closed Session in Accordance with the Texas Government Code.

The City of Leon Valley Economic Development Corporation Board will Convene in Closed Session:

- A. Pursuant to Tex. Gov't Code Ann. § 551.071 (1),(2) consultation with attorney regarding *Larry Little v. Leon Valley EDC*;
- B. The City of Leon Valley Economic Development Corporation Board will Reconvene into Open Session and may take action on the Closed Session Items

There was no closed session.

IV. Presentation and Discussion of Lawsuit Timeline

Staff Liaison Mora informed the Board that this item was put on the agenda by Mr. Ynostrosa and that he had planned to present this item. Due to illness, he was unable to attend.

Ms. Mora briefly presented the timeline that Mr. Ynostrosa had presented during a special joint meeting of the LVEDC and the city council on June 10, 2015.

V. Discussion Regarding Attorney Invoices

Staff directed the Board to the spreadsheets in their meeting packets which detailed the invoices received and paid or pending payment by the LVEDC. The Board expressed concern for the amount of fees being charged by the Board attorneys for general counsel and the lawsuit. The Board inquired as to the nature of the charges. Ms. Mora provided examples of the types of items listed on the invoices. She also informed the Board that she started to audit the invoices from Davidson, Troilo, Ream & Garza, as directed by Board President Ynostrosa.

The Board asked to receive copies of future invoices.

VI. Consideration of LVEDC Minutes – June 10 (amended), August 26, September 3, and September 23, 2015

Board Treasurer McCarley moved that the minutes be approved. Board Member Jordan seconded the motion. The motion carried by voice vote.



VII. Financial Report by LVEDC Treasurer and Consideration

Board Treasurer McCarley reported that the current balance at Frost Bank as of the meeting date was \$343,934.16. This amount included \$243,741.66 in the money market account, and \$100,192.50 in the checking account.

LOQ Bandera Road Holdings, LLC had not cashed the \$100,000.00 check for their second and final installment of the \$200,000.00 grant. The bills for August had been paid; the checks had cleared the bank.

The deposit of sales tax for the month was \$19,600.12.

VIII. Presentation, Discussion and Possible Action on Performance Measures or Goals for the LVEDC FY2015-2016 Budget

City Manager Kelly Kuenstler presented possible performance measures to the LVEDC. She informed the Board that she reviewed the Articles of Incorporation and Bylaws for possible measures. The performance measures were statements of what the LVEDC Board was created to do.

Staff was directed to get a copy of Ms. Kuenstler's presentation and forward it to the Board for review and consider for adoption at a future meeting.

After Agenda Item VIII, Board Member Alcocer expressed concern for the approval of the September 23rd LVEDC Board Meeting minutes. Discussion ensued between Board Member Alcocer and Board Secretary Sanchez.

IX. Presentation, Discussion and Possible Action on Amendments to the City of Leon Valley Economic Development Corporation Bylaws

Staff Liaison Mora presented the proposed changes to the bylaws along with the full set of bylaws for review. The Board directed staff to email both documents to the Board members so that they could review them closely. The Board also directed staff to present a copy of the bylaws with the proposed changes incorporated – strikethrough on the language being deleted; underline on the language being added.

The Board also asked staff to confirm that the changes conformed to the law.

This item was tabled.

X. Discussion and Possible Action Regarding the Contractual Services Contract / Services Agreement with the City of Leon Valley for 2015-2016

Staff presented a draft of the agreement for the previous fiscal year and asked the Board to consider refining the document to detail the wants and expectations of staff by the Board. Ms. Mora indicated that the proposed FY 2015-2016 budget included \$46,000.00 to fund the economic development administrative assistant.

Board Member Alcocer inquired as to the staff support of the Board. City Manager Kuenstler indicated that she would be able to refine the duties of both the economic development director and administrative assistant once the LVEDC approved its performance measures.

At this point, the Board revisited Agenda Item VIII. City Manager Kuenstler reported that during the City's audit – regarding the component audit of the LVEDC – the auditors identified a concern for 2014-2015. For November 2014 and July 2015, the LVEDC was overdrawn on its checking account. Staff Liaison Mora informed the Board that she had not seen any indication from Frost Bank that the LVEDC had overdrawn amounts. Ms. Mora also informed the Board of the process for receiving and reviewing bank statements: the City's Assistant Finance Director gets all bank statements first so that she can review and record the



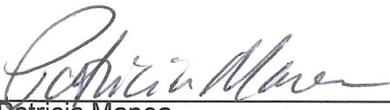
information in InCode. The statements are then forwarded to the Economic Development Department so that staff can reconcile the checkbook and make any modifications to the accounts payable spreadsheet provided to the Board each month.

City Manager Kuenstler informed the Board that she would email the auditor's letter to Mr. Sanchez and Mr. Ynostrosa so that the LVEDC could provide a response to the auditor.

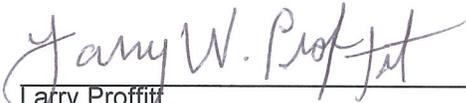
- XI. Discussion and Possible Action on LVEDC Administrative Protocol Regarding Agendas, Minutes, etc.**
Board President Ynostrosa was to present this item. Due to his absence, this item was tabled.
- XII. Discussion and Action on Rescheduling November and December Meetings**
Staff presented possible dates for the LVEDC to reschedule the November and December meetings. By consensus, the Board agreed to reschedule the November meeting to November 12, and the December meeting to December 17.
- XIII. Future Agenda Items**
A.) Work Session(s) on Strategic Plan
A new subcommittee would be appointed at a future Board meeting.

B.) Update on IRS Refund Request
Staff was asked to arrange for an update by the CPA who handled the filing to remove the 501(c)(6) designation.
- XIV. Announcements**
Staff reminded the Board that the Sales Tax Workshop sponsored by the Texas Economic Development Council (TEDC) was scheduled for October 30th in San Antonio. Staff also reminded the Board that applications for reappointment/appoint to the LVEDC Board of Directors were due October 31st.

City Manager Kuenstler informed the Board that the San Antonio Aquarium offered to provide a tour of the facility to the City Council and the LVEDC. Board Secretary Sanchez suggested that the Aquarium's general manager be invited to provide the LVEDC with an update of the operations and expansions taking place.
- XV. Adjourn**
Board Member Jordan moved for adjournment. Board Member Alcocer seconded the motion. The meeting was adjourned at 8:02 p.m.



Patricia Manea,
Board President



Larry Proffitt,
Board Secretary