

**CITY OF FREEPORT
ECONOMIC DEVELOPMENT CORPORATION**

430 North Brazosport, Freeport, TX
Tuesday, March 14, 2023 at 6:00 p.m.

REGULAR MEETING MINUTES

FEDC BOARD MEMBERS: Quorum Present

Directors:

Mingo Marquez	President
Josh Mitchell	Vice-President
David McGinty	Secretary
Sandra Loeza	Treasurer
Shonda Marshall	
Ken Tyner	
George Matamoros	

Robert Johnson: Executive Director

Tim Kelty: City Manager

Chris Duncan: Attorney

Jerry Cain: Council Liaison

Kaytee Ellis: EDC Staff

I. Call to Order

Mingo Marquez called the meeting to order at 6:06 PM. A quorum was present.

II. Invocation and Pledge

Shonda Marshall led the invocation and Sandra Loeza led the pledge.

III. Citizens Comments

Melanie Oldham said that the agenda says “Discussion with Gensler” in Executive Session. Melanie Oldham said this item has not been discussed in open session and it is about time to share this information with the public. Melanie Oldham said the EDC Board purchased three buildings for roughly \$43,000.00 each and now one of the buildings needs to be demolished. Melanie Oldham said the previous Executive Director had estimated that it would cost \$500,000 to safely remodel all three buildings due to structural problems. Melanie Oldham said the agenda does not include any supporting documentation and that the public cannot make educated comments without them.

Joe Penfield said six weeks ago the EDC had a Joint Meeting with Planning and Zoning. Joe Penfield said Planning and Zoning has not had a meeting since, but the issue remains. Joe Penfield asked the EDC Board to continue the discussion on allowing residential in the Downtown Zone and stated that the current ordinance is debilitating to tourism. Joe Penfield also said that the EDC had previously discussed relocating to the building on the waterfront property and asked he board to provide an update on this matter.

Jeff Pena asked the President and the Board to change the citizens comment process to allow citizens to comment on individual agenda items. Jeff Pena said the citizens are here to help. Jeff Pena asked the board to question the need of items being placed in executive session. Jeff Pena said there is a Best Western group interested in the Downtown and the 8.8 acres. Jeff Pena said he forwarded this information to Mr. Johnson. Jeff Pena suggested various ways to save the parking lot area.

IV. Consent Agenda

- 1. Approve Meeting Minutes for February 13, 2023**
- 2. Approve Financials**
- 3. Approve Invoices**

Shonda Marshall questioned meal receipts in the binder and asked what the current policy for meals was.

Cathy Ezell said it can be done as a reimbursement or with paid as Per Diem as the City does.

Mingo Marquez said the board should follow the City policy.

Shonda Marshall made a motion to approve the consent agenda. Ken Tyner seconded.

MOTION PASSED UNANIMOUSLY.

V. Joint Executive Session with Freeport Tax Increment Reinvestment Zone #1 Board

Mingo Marquez said he would like to move this executive Session to the end of the meeting.

VI. Discussion & Action Items

1. Discuss and take possible action on La Caza Azul grant application

Cassy Aquines and Leo Salazar presented their new business, La Caza Azul and reviewed their request for a Business Improvement Grant. Cassy Aquines said this a completely new concept for Freeport.

David McGinty asked for their hours of operation and questioned if they would have people “hanging out around the property until 2:00 am.”

Leo Salazar said the intention is for people to eat, drink, and socialize.

Sandra Loeza made a motion to approve up to \$10,000 for La Caza Azul’s grant. Josh Mitchell seconded. **MOTION PASSED UNANIMOUSLY.**

2. Discuss and take possible action on Budget Amendment #1

Cathy Ezell reviewed the proposed fund accounts with the board. Cathy Ezell said these funds would allow the marketing balance to rollover each year and would help break down special projects into a more understandable manner.

Sandra Loeza asked if the board will receive a copy of the funds and special projects.

Cathy Ezell responded yes.

Mingo Marquez made a motion to approve. Sandra Loeza seconded. **MOTION PASSED UNANIMOUSLY.**

3. Discuss and take possible action on EDC property cleanup.

David McGinty said he would like to have the Western Seafood property cleaned. David McGinty said it is hard to sell the property in it's current condition. David McGinty said two quotes for work have been provided, one by the current mower and one by Gerald DeLuna.

Mingo Marquez said the current policy is three quotes.

Chris Duncan said the board can override this at any time.

Shonda Marshall asked that this be posted for others to bid as well.

Mingo Marquez instructed Kaytee Ellis to post this project on the FEDC website and on Facebook.

4. Discuss and take possible action on 301 W Brazos

Robert Johnson said this building has another leak and Lance Petty will have someone fix it. Robert Johnson said four vendors have been approached for a stair lift and two have provided quotes.

David McGinty asked if the quotes provided meant the EDC office was moving or if the topic was still up for discussion.

Mingo Marquez said this is still up for discussion and asked the board members thoughts.

David McGinty said he would like to see the added costs.

George Matamoros said he would like to see a breakdown off all costs involved in the move; one time costs and monthly costs.

Mingo Marquez, Josh Mitchell Shonda Marshall, Sandra Loeza, and Ken Tyner agreed.

Tim Kelty reminded the board that all costs at City Hall would be covered under a City Agreement if the board so chose.

Shonda Marshall asked Tim Kelty to draft a contract and share it with Chris Duncan to review.

5. Discuss and take possible action on downtown buildings

Robert Johnson said he was charged with getting estimates to remodel the buildings downtown. Robert Johnson reviewed the quotes provided in the board binders, stating that two of which are outdated and not up to the current scope of work.

Mingo Marquez asked Mr. Johnson to get two additional quotes and instructed Kaytee Ellis to post this on the EDC website and Facebook.

Mingo Marquez said at this time he would like to close to Executive Session.

VII. Executive Session- Adjourn into Executive Session

It is now 7:24 p.m. and I hereby recess the regular session of the Freeport Economic Development Corporation meeting and do hereby convene into executive session in compliance with Texas Government Code: Section 551.087 (Economic and Community Development Matters) and Section 551.071 (Consultation with Attorney).

Joint Executive Session with Freeport Tax Increment Reinvestment Zone #1 Board

1. Discuss Gensler

Economic Development Corporation

2. Discuss Project Bluebird
3. Discussion with EDC Attorney on performance agreements.

Reconvene into Open Session

Board President's statement:

It is now 9:12 p.m. and I hereby close the executive session of the Freeport Economic Development Corporation and do hereby reconvene the regular open session and take possible action on items mentioned in executive session.

There was no action on any item discussed during executive session.

VIII. Discussion & Action Items Continued

6. Discuss and take possible action on EDC Attorney attendance at EDC Meetings.

George Matamoros said he contacted 25 EDCs and out of those, 19 of them did not have their attorney present at every meeting and only 6 of them did. George Matamoros said if the board is looking at cost savings for the move to 301 W Brazos, this could be considered. George Matamoros said he researched the presence of an attorney at all board meetings and at it looks as if it started during the eminent domain issue of the Marina.

Robert Johnson said this is the first city he has worked in that has the attorney present but that is not to say it does not happen. Robert Johnson said previously, he would contact the attorney before, during, or after the meeting.

Josh Mitchell asked how much money this would save.

George Matamoros said the EDC has paid roughly \$400 per meeting.

Mingo Marquez said Chris Duncan's contract states that he is to attend all meetings. Mingo Marquez said the board used to pay "crazy" fees for the attorney during the marina deal and he thinks it would be negligent to not have Mr. Duncan present. Mingo Marquez said Mr. Duncan has been with the EDC for nine years and knows all of the history. Mingo Marquez said he feels Mr. Duncan is an important part of the team. Mingo Marquez said he would like Mr. Matamoros to put his "personal grudge" aside.

George Matamoros said this discussion is not part of a grudge, it is just a way to save costs. George Matamoros said he has done the research and that Mr. Duncan would still be the EDC's attorney.

Shonda Marshall said she understands the desire to cut costs, but while she has been on the Board, there has not been a single meeting in which Mr. Duncan did not give legal advice. Shonda Marshall said it would be irresponsible to remove him at this time.

Josh Mitchell said that Chris Duncan has value and saving money is tempting. Josh Mitchell said he would like to see how a meeting would work without Mr. Duncan present.

David McGinty said that he sees both sides but he feels Chris Duncan inserts himself into the conversation without being asked. David McGinty said the Mr. Duncan is not a board member.

Shonda Marshall asked when Mr. Duncan's current contract expires.

Mingo Marquez said he believes his contract expires in June but that could be incorrect.

Shonda Marshall suggested re-evaluating the contract in June.

George Matamoros said he would like to table this discussion. George Matamoros said he has given everything to this board and helped anytime he was asked. George Matamoros said he did the research and has shown his proof to support this argument.

Chris Duncan said he had addressed a number of legal issues tonight and the problem is that the board not recognize legal issues. Chris Duncan said for an example that an item is not tabled until there is a motion to table.

Shonda Marshall made a motion to table. Josh Mitchell seconded. **MOTION PASSED UNANIMOUSLY.**

IX. Subcommittee Updates

David McGinty commended the work of the current mower, Matt Covey with Grass Masters.

X. Board Member and Executive Director Comments

1. President Mingo Marquez:

Mingo Marquez thanked the public and the board members. Mingo Marquez said he would love to let the public know of potential new developments, but developers ask that these be kept quiet. Mingo Marquez said that marketing efforts are coming to fruition.

2. Vice President Josh Mitchell:

Josh Mitchell thanked the public in attendance. Josh Mitchell said Gensler is one of the top Architecture firms in the world and he wanted to inform the public that he has excluded himself from every vote due to his brothers employment with the firm. Josh Mitchell said this has not been brought to the public, simply because it is not ready.

3. Secretary David McGinty:

David McGinty said he appreciates everyone attending the meeting and the Board. David McGinty said he feels everyone present is doing their civic duty and He would like to help the citizens understand why the board cannot “just do things.” David McGinty said he would like to address the public comments about agenda items. David McGinty suggested that in the future, there be a description of items on the agenda.

4. Sandra Loeza:

Sandra Loeza congratulated Brazos Nutrition on their opening and informed the board that at EDC won first place for their float in the MLK Parade.

5. Shonda Marshall:

Shonda Marshall thanked the public in attendance and acknowledged Women’s History Month.

6. Ken Tyner:

Ken Tyner thanked the board for the time they put in. Ken Tyner said the desire is the same for each of them; to do what they can, the best way they can for the City.

7. George Matamoros:

George Matamoros thanked the citizens in attendance. George Matamoros said he would like to address the councilman of Ward A and his referring to Project Bluebird as “Project Dodo Bird” is hurting the EDC and the City and keeping Freeport from developing. George Matamoros asked the councilman to stop. George Matamoros also suggested every one shop local as much as possible.

8. Robert Johnson:

Robert Johnson thanked the Board for their time. Robert Johnson said the agreement with Taco Bell ha been signed and he has also met with the General Consul of India with Port Freeport.

XI. Adjourn

Motion to adjourn the board meeting was made by Josh Mitchell and seconded by Shonda Marshall. **MOTION PASSED UNANIMOUSLY.**

Mingo Marquez adjourned the board meeting at 9:51