

MINUTES
BOARD OF DIRECTORS MEETING
Greater Fort Bend Economic Development Council
Wednesday, October 8, 2014

THE STATE OF TEXAS §
 §
COUNTY OF FORT BEND §

Chairman Robert C. Brown, III, called the meeting to order.

MINUTES

Secretary Dave Johnston presented the minutes of the September 10, 2014 meeting. After review, Director Jim Russ moved that the minutes be approved as submitted. Director Rick Conley seconded the motion. The motion passed unanimously.

FINANCIAL REPORT

Jared Jameson, Treasurer, presented the financial report for September 30, 2014. After review, Director Mike O'Connell moved that the financials be approved as submitted. Director Fena Garza seconded the motion, which passed unanimously.

ITEM 1 – Development Update

At this time, Jack Belt, Executive Vice President presented a development update to the Directors. This was for informational purposes only.

ITEM 2 – Missouri City Update

At this time, Joe Esch, Economic Development Director for Missouri City gave an update informing us about two new projects in Missouri City. First is the progress of the new Trammell Crow Business Park at the southeast corner US 90A and Beltway 8, and a concept to help revitalize Texas Parkway and enhance the location of HCC's Missouri City campus by relocating it next to City Hall. This was for informational purposes only.

ITEM 3 – Katy ISD Bond Presentation

Jeff Wiley introduced Bruce Bradford, Katy ISD Bond Committee who presented to the the Directors the Katy ISD Bond package. Mr. Bradford said that based on moderate growth projections, Katy will be at 80K+ students within the next four years and by 2023, Katy ISD will be home to nearly 95K students. All 227 committee members concurred with the \$748 million bond package, indicating that 80% of the bond will go towards new schools and existing facilities. They also agreed that if a tax rate increase was needed, that it would be no more than 1 penny. However, the actual potential tax rate impact is zero to ½ cent maximum. The bond calls for 6 new campuses and the complete renovation of 6 more, 43 campuses will receive repairs and replacements for components like school kitchens, roofs, floors and intercoms. A total of 8,890 seats will be added with this bond. Commissioner Patterson then motioned for a Resolution in support of the Katy ISD bond proposal and Director John Ofield seconded. All were in favor.

ITEM 4 – Fort Bend County Major Thoroughfare Plan

Jeff Wiley introduced Rick Staigle, First Assistant County Engineer for Fort Bend County. The Thoroughfare plan updated funding was approved by FBC and H-GAC in August 2013, MTP was issued by H-GAC in September 2013, the project was initiated in October 2013 and the projected map was adopted in November 2014. The project completion is expected in February 2015. The purpose of the MTP is to update alignments, update roadway classifications, update typical cross

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sections and design standards as well as updating population and traffic model. This was for informational purposes only.

ITEM 5 – Resolution in Support of FBC WC&ID #2 Development & Bond

At this time, Jeff Wiley presented a Resolution in Support of the WC&ID #2 Bond. Commissioner Patterson motioned and Lina Sabouni seconded. All were in favor.

ITEM 6 – Review of Executive Committee Actions - TxEC Dissolution and Asset Acceptance within the EDC; Creation of a Special Committee to Manage the TxEC funds consistent with the purpose for which funds were raised.

At this time, Jeff Wiley presented to the Directors a proposal to create a special committee under our bylaws that would carry out the purposes of the TxEC and accept remaining assets of the Corporation upon dissolution. The TxEC Board met last week and voted to dissolve the Corporation and provide its remaining assets to the GFBEDC provided that the funds be managed under a separate committee comprised of the existing board members of the TxEC that are also board members of the GFBEDC (FB County, City of Sugar Land, UH and EDC). Under the TxEC articles of incorporation, the corporation may be dissolved upon payment of its liabilities, notification to the TX Secretary of State and distribution of assets. The assets must be distributed to a 501(c)(6) entity. The GFBEDC Executive Committee met on September 24, 2014 to consider the acceptance of funds. At that meeting a motion was advanced and approved unanimously to accept the funds consistent with the obligations of fund management and use required by the TxEC. This motion was reaffirmed by the Board. Director James Patterson made the motion and Director Dave Johnston seconded. The motion was approved unanimously. Approximately \$991K was moved from TxEC accounts to EDC accounts on September 30.

11-9-14
Date

Dave Johnston/cm
Dave Johnston, Secretary

Minutes of the Executive Committee
Greater Fort Bend EDC
September 24, 2014

THE STATE OF TEXAS §
COUNTY OF FORT BEND §

Robert C. Brown, III, Chairman Presiding

Executive Committee Members in Attendance

- Robert C. Brown, III, Chairman
- Les Newton, Vice Chairman
- Dave Johnston, Secretary
- Jared Jameson, Treasurer

Ex Officio Members in Attendance

- Jeff Wiley – President\CEO

Agenda:

Chairman Brown called the meeting to order at 2:15 p.m.

1. Resolution in Support of Lamar Consolidated Independent School District (LCISD) Bond Election

Mr. Wiley presented a Resolution of Support for LCISD's November 4, 2014 Bond Election calling for \$240MM in bonding authority to address growth needs of the district. Mr. Wiley indicated that there is an expected tax rate increase up to 4 cents per \$100 in valuation and that staff was not significantly involved in the bond development discussions or committee process (as was the case in Fort Bend ISD's Bond package development) Notwithstanding these issues, staff recommends support for the bond issue based on responses to questions presented to the district and their track record of implementing the package without the impact of the full tax rate increase projected. Mr. Jameson made a motion in support of the resolution presented to the Executive Committee (attached) provided that in future bond elections we be included in the bond committee development process in order to provide support. Mr. Newton seconded the motion. The resolution in support of LCISD's Bond election was unanimously approved by the Executive Committee.

2. Dissolving TxEC; Acceptance of Funds by GFBEDC; Creation of Special Committee to Manage Funds

The Executive Committee was apprised of the TxEC Board of Directors' decision to dissolve the Corporation effective September 30, 2014 which coincides with the close of the fiscal year for the TxEC. The organization came into existence originally 3/27/2003 when it was acknowledged by the Secretary of State of Texas. Its purpose was:

- *Work to develop and support the educational, scientific, technical, commercial, industrial, and economic development and improvement of all facets of the energy industry in Fort Bend County and Texas; and*

- *Work to promote and facilitate within Fort Bend County and Texas the research, development, and production of energy technologies, approaches and services including, without limitation, alternative fuels, gasification, clean energy, fuel cells, photovoltaics, renewable energy, deep and ultra deep water and unconventional onshore oil and gas exploration and production and emission reduction technologies; and*
- *Work with federal, state and local governments and private entities to secure and administer contracts, grants, gifts, funding and investment to promote the advancement of the energy industry within Fort Bend and to attract energy companies, energy-oriented research and educational institutions and organizations, and other related entities to Fort Bend County and Texas; and*
- *Perform such other functions as may be necessary to fulfill the purposes of the Corporation.*

Mr. Wiley apprised the Executive Committee that the Board of Directors of the TxEC on September 16, 2014 voted to dissolve the corporation on or before September 30, 2014, advise the Governor's Office of such decision, file the necessary documents with the Secretary of State and direct all assets to the Greater Fort Bend Economic Development Council (GFBEDC), a 501(c)(6) corporation to be used consistent with the purposes for which the energy center was created and to be governed within the GFBEDC by a special committee appointed by the Chairman which shall include representation by existing or future board members of the TxEC that are also board members of the GFBEDC.

Mr. Wiley indicated that the GFBEDC is the current entity for record retention on behalf of the TxEC, will continue to have record retention requirements for the TxEC through August 2017 for the Texas Enterprise Contract and record retention for the IRS for a period of three years from date of the last tax filing with the IRS.

Mr. Newton asked what the positive and negative implications are for accepting funds from the TxEC. Mr. Wiley indicated that he believed the primary benefits are consistency of management of the funds for the purpose originally intended (with the creation of the special committee, virtually the same board representation that existed on the TxEC board can be replicated in the Special Committee through active GFBEDC board members); the assets allow us an opportunity to leverage the funds by looking for partners to achieve the original TxEC objectives in our community; having some additional time to place the funds will provide for the highest and best impact to the community stakeholders. Negatives involve the politics of the Texas Enterprise Fund and opponents desires to use it against political candidates.

There beings no more questions, Mr. Jameson motioned to accept the funds directed to the organization by the TxEC and to create a special committee comprised of Board members that represent board members that served on the TxEC Board to manage the funds and their deployment on behalf of the GFBEDC. The motion was seconded by Mr. Johnston and unanimously approved by members of the Executive Committee.

There being no further business, Mr Jameson motioned to adjourn the Executive Committee meeting and Mr. Johnston seconded. The Executive Committee meeting adjourned at 2:50 pm.