

## City of Buda 4 B Corporation

Minutes  
Regular Meeting  
Monday, June 4, 2012

**Board attendees:** Cathy Chilcote, Antonio Sosa, Rachel Najera, Lisa Saucedo, Sandra Tenorio and Kenneth Williams. Renee Mauzy was not in attendance.

**Staff attendees:** Executive Director Warren Kettman and Senior Executive Assistant Janet Shull

**Guests:** Richard Carey, Terry Mazurek of First State Bank Central Texas, Wes Ferguson of Hays Free Press

### Public Hearing

Public hearing to solicit input prior to expending funds in support of providing a financial incentive not to exceed \$75,000 to a manufacturer for economic development purposes (Project A). Public hearing opened at 6:01 p.m. No public comments were received. Public hearing closed at 6:02p.m.

### Minutes

RESOLVED, that the Board approve the minutes from the May 7, 2012 regular meeting. Motion by Director Tenorio, seconded by Director Najera. Motion passes 6-0.

### Treasurer's Report

RESOLVED, that the Board approve the Treasurer's Report showing total current assets of \$1,787,586.31 as of May 31, 2012. Motion by Director Sosa, seconded by Director Tenorio. Motion passes 6-0.

### Executive Director's Report

Executive Director Warren Kettman provided a synopsis of activities and updates including: the Greater San Marcos Partnership (GSMP) will hold a property tour on November 1, 2012 to include the Buda, Kyle, and San Marcos communities; the GSMP has hired Pike Powers for economic development work; the Buy Local program is moving forward but still compiling information; prospects include two (2) state leads, Project Jinsung AC and Project Friends Forever.

### Pedernales Electric Cooperative Ballot

After a brief discussion, the Board stated a vote would not be given. No action was taken.

### Texas Downtown Association President's Awards Program

Executive Director Kettman gave details of the Texas Downtown Association President's Awards Program. He stated there are various awards that are given out each year, with one of particular interest, Best Downtown Partner. He requested direction from the Board to submit the Buda EDC's BIG Program for the Best Downtown Partner award for an entry fee of \$150.00.

RESOLVED, that the Board approve submitting an application for the BIG Program to the Texas Downtown Association President's Awards Program along with a \$150.00 entry fee. Motion by Director Chilcote, seconded by all other Directors. Motion passes 6-0.

### Memorandum of Understanding – City of Buda/Buda EDC

After a brief discussion, the Board directed staff to send the document to the City attorney for review and approval and bring back for approval in July.

### Sales Tax Audit

The Board directed staff to provide pricing for sales tax audit services and bring back for consideration in July.

## **Plan of Work – Committee Reports**

Executive Director Kettelman updated the Board on the following: Taste of Buda - all downtown businesses are on board; still waiting for Garcia's response. Buy Local -- received information from the Go Local Austin group, a retail card program that charges customers \$15 per card, Buda's cost would include \$3,000 for the website and \$1,000 for a logo design that Buda would own, cards are good at any Go Local store; Micro Lending -- no local micro lenders in the Austin metro area, Tyler has a revolving loan program, Cuero has a micro lending program with \$100,000 available at this time and lends \$2,000 to \$25,000, they have loaned approximately \$400,000 to date, a local group completes the application process and review, BCL does their underwriting and management of the program.

### **BACC Update**

Director Saucedo gave a Chamber update stating Executive Director Terry Capps is resigning; the Chamber will sell hot dogs for the 4<sup>th</sup> of July event; and getting more involved in the community and with the businesses; lots of positive energy being generated.

### **City Update**

Director Williams updated the Board on a possible water project in Park 35 South; the sewer plant expansion is complete; further improvements for sewer on the east and west side; Tourism Director Alisha Burrow submitting two (2) applications for the Texas Downtown Association President's Awards Program - Stagecoach House and the Tavern on Main; construction going well in Downtown; Microtel going up; project with the Silverado apartment development; and an effluent project to sell to public.

### **Hiring of Special Counsel**

President Chilcote stated that as the EDC moves forward, the Board members that have had an opportunity to speak with her regarding different issues, feel there is no relationship with the current EDC counsel due to his Ft. Worth location; therefore not adequately representing the Board. She feels the Board needs to have their own special relationship with counsel. President Chilcote recommended hiring Charlie Zech to represent the Buda EDC with personnel issues or moving forward with new plans in different directions. Director Tenorio agreed and feels counsel should be readily available to attend meetings.

RESOLVED, that the Board approve hiring Charlie Zech as special counsel to represent the Buda Economic Development Corporation. Motion by Director Chilcote, seconded by Director Tenorio. Motion passes 5-0. Director Sosa abstained.

### **Executive Director Contract**

President Chilcote spoke to Executive Director Kettelman stating she knew he was looking at positions elsewhere and that some emails suggested he was moving on. She acknowledged that Kettelman's contract was expiring the end of September, 2012 and stated that some Board members had spoke to her about the fact that there might be some personality conflicts between Board members and the Executive Director. She stated she felt Kettelman was ready to move on and that some of the Board members felt they were ready for Kettelman to move on. President Chilcote stated the best option was to not renew Kettelman's contract, that he would be paid until the end of his contract, and that he wouldn't return to work anymore. She stated Kettelman had been an asset to the town and would always be appreciated for what he had done.

During the discussion, directors Tenorio, Najera and Saucedo agreed that it seemed Kettelman was ready to move on. Director Sosa disagreed.

Kettelman concurred with statements that he had been looking around but had kept the Chairman informed. He concurred that it was time to move on and felt the relationship between him and the Board was not in a good place.

RESOLVED, that the Board not renew Kettelman's contract which effectively ends the end of September, but that he is paid, that he doesn't need to come in tomorrow and can continue to look for work elsewhere. Motion by Director Chilcote, seconded by Director Najera, motion passes 5-0. Director Sosa refused to vote.

Director Tenorio asked Mr. Zech if it was appropriate to authorize the Chair to work with him and Kettelman to put a pencil to it and figure out whether Kettelman wanted to be on administrative leave or if there's some sort of buyout he'd rather have. Mr. Zech stated it would be appropriate. Kettelman stated he would rather sever it and move on and not be strung out.

RESOLVED, that the Chair be authorized to work with Ketteiman and Mr. Zech to figure out the severance and negotiate and finalize it, not to exceed the value of the contract. Motion by Director Tenorio, seconded by Director Saucedo. Motion passes 5-0. Director Sosa abstained.

**Staffing Plan/Current Employees**

President Chilcote told the Board a decision would need to be made whether to send Executive Assistant Janet Shull home for two (2) weeks with pay until the Board regroups in one (1) week and have discussion and dialogue at that time. Shull asked what would happen in two (2) weeks. President Chilcote stated the Board would meet to discuss if they would be interviewing or having a temporary placement. She stated there was no agenda regarding Ms. Shull's position. The Board was concerned that Ms. Shull may need time off to process. Ms. Shull stated she did not need the time off and would prefer to work.

RESOLVED, that the Board authorize President Chilcote to work with Executive Assistant Shull should anything else come up later. Motion by Director Tenorio, seconded by Director Najera. Motion passes 5-1. Director Sosa voted no.

**Buda EDC Special Meeting**


The Board will meet on Monday, June 18<sup>th</sup>, 2012 at 6:00pm at the Buda Area Chamber of Commerce office.

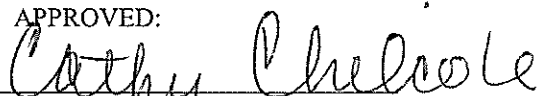
**Future Agenda Items**

Memorandum of Understanding between City and Buda EDC  
Sales Tax Audit Services

There being no further business to come before the Board of Directors, the meeting was duly adjourned.


Dated: June 18, 2012

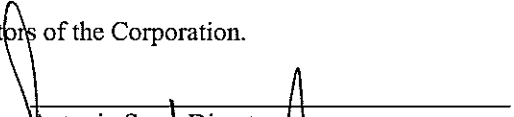
  
\_\_\_\_\_  
Lisa Saucedo, Secretary

APPROVED:  
  
\_\_\_\_\_  
Cathy Chilcote, President

**Approval of Minutes**

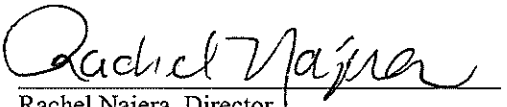
The foregoing minutes are approved as the acts of the Directors of the Corporation.

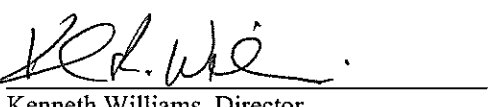
  
\_\_\_\_\_  
Cathy Chilcote, Director

  
\_\_\_\_\_  
Antonio Sosa, Director

XX  
\_\_\_\_\_  
Renee Mauzy, Director

  
\_\_\_\_\_  
Sandra Tenorio, Director

  
\_\_\_\_\_  
Rachel Najera, Director

  
\_\_\_\_\_  
Kenneth Williams, Director

  
\_\_\_\_\_  
Lisa Saucedo, Director