

Minutes of a **REGULAR** called meeting of the Board of Directors of the Greater Brownsville Incentives Corporation (GBIC), held on **Thursday, January 16, 2020 at 5:30pm** in the COB Commission Chambers, on the second floor of the Brownsville City Hall – Old Federal Building, located at 1001 East Elizabeth Street, Brownsville, Cameron County, Texas.

Board Members in Attendance:

Dennis Sanchez
Graham Sevier-Schultz
Pedro Cardenas
Esteban Guerra
Jason Wolfe
Sandra Duran

Board Members Absent – Excused:

None

GBIC Staff:

Mario Lozoya, Executive Director
Ramiro Aleman, Director of Business Recruitment & Development
Laura Matamoros, Director of Business Research & Strategy
Elsa M. Galvan, Executive Assistant
Karla De La Riva, Associate Director of Industry Retention (**Excused**)

Others in attendance:

Lupe Granado, COB Finance Director

1. Call to Order

With a quorum present, Esteban Guerra, called the meeting to order at 5:30pm to consider the following matters, as posted at the Brownsville City Hall.

2. Public Comment Period – Laura Matamoros “There is No Public Comment”

3. Consent Agenda Items: All consent Agenda Items listed are considered to be routine by the Greater Brownsville Incentives Corporation and will be approved by one motion. There will be no separate discussion of these items unless a GBIC Board member so requests, in which event the time will be removed from the Consent Agenda and considered in its normal sequence on the Agenda.

Consideration and action, if any on the following items:

- A.) Approval of the Minutes of Special Workshop and Minutes of Regular Board Meetings:**
Regular – December 19, 2019
- B.) Approval and acknowledgement of invoices and miscellaneous claims.**

Esteban Guerra “Do we have any questions or comments regarding these two items?” Take a motion to approve them?

Dennis Sanchez "Wait on page three of three the minutes I believe the motion was we have a motion that the commissioner not vote on manage related to the city due to a potential conflict of interest. So, with that clarification that's what..."

Esteban Guerra "Okay, Legal can you note that as far as the motion made by Mr. Sanchez"

Michael Pruneda "Yes sir"

Mario Lozoya "Mister Chairman if I could make a comment to that. Thank you for picking that up. Mr. Sanchez actually the staff was talking to me about how they record the minutes. So just so you know I think its known that its recorded and we have it permanent on voice and we have a file so that we can follow every single event here so we can go by date and go back to the actual recording. The challenge is when sometimes multiple people are talking and having discussions its very difficult to hear the recording and very difficult to put it on paper. So, my point is that the struggle is to identify what the voice information is to translate it to black and white. So the ask from the staff and myself is to reminder to the board that when an individual is speaking to an item to let that individual finish his or her comments before making yours it makes it difficult for the staff record the minutes when multiple people are speaking.

Esteban Guerra "Thank you Mr. Lozoya"

Dennis Sanchez "Thank you"

Jason Wolfe "So, with that being said I will motion to accept the minutes and voicing record"

Esteban Guerra "I have a motion do I have a second?"

Sandra Duran "I second"

Esteban Guerra :Motioned Seconded, all those in favor"

Board of Directors "I"

Esteban Guerra "Motion carries"

4. Discussion and Acknowledgement of GBIC Financials and Investment Reports

Lupe Granado, Finance Director, presented the financial report for December 2019.- (Lupe Granado, COB)

Lupe Granado "Mister Chairman and board members before I start on this presentation, I just wanted to kind of get a feel from you and presentation format that usually come about do you wish for me to kind of summarize it more or in a condensed or is it okay to continue presenting as I have done in the past?"

Jason Wolfe "I kind of appreciate the way you've being doing it going through page by page."

Lupe Granado "Okay"

Esteban Guerra "That's fine"

Sandra Duran "It's always the same thing"

Lupe Granado "I just wanted to make sure"

Jason Wolf "The only note that I would make is that whenever you know there is an anomaly that we should draw our attention is that you go ahead and bring that out to us."

Lupe Granado "Absolutely, yes sir. Okay"

Esteban Guerra "Any questions or comments?"

Graham Sevier-Schultz "I move to acknowledge the presentation"

Esteban Guerra "Motion? On the floor, second?"

Pedro Cardenas "Motion Seconded"

Esteban Guerra "Motion Seconded all those in favor?" Motion Carried

Lupe Granado "One quick item that I forgot. Previously they had a question on sales tax what kind of information we could get form Sales tax let me hand it out.

Lupe Granado addressed the board about the sales tax. "The city on an annual basis requests a confidential detailed report from the comptroller's office that gives us a full detail of all the sales tax collected. The first excel worksheet

that you see there actually went back to fiscal year 2015 through actual fiscal year 2019. It had a comparable and is broken down by individual industry uh industry meaning the that's the categories that are represented by the comptroller's office. Retail, accommodations, telecom these are all the sales tax that are collected from each of these industries. As you see there retail is the one that is noted as the highest one. Translating that into a bar graph for little bit easier to read the information. The next page is a bar graph representation of again those five years of sales tax collections by industry rating them by from highest to lowest meaning retail is the one that is making them. These are the top six that we get a million dollars or more from these industries. Page two is actually the other industries and this breaks it down in a little bit more put them all together kind of skews the graphs. We separated them and these are the industries that we a hundred thousand to a million dollars in sales tax. Right now, finance is looking there are some software companies out there that do a little bit more comprehensive view on the sales tax where sales tax is being generated. We are looking into that right now but still getting that software so it can help us analyze a little bit more not just by industry but a bit more deep into the sales tax collections and hopefully by next meeting I can have a little bit more comprehensive overview of this.

Esteban Guerra "Thank you sir"

Lupe Granado "Thank you"

Dennis Sanchez "Thank you"

5. Discussion, consideration and acknowledgement of GBIC Executive Director & Staff reports regarding recent activities and progress related to current ongoing projects; Introduction of BISD Robotics Participants. – (Executive Director & Staff)

Mario Lozoya "Mister Chairman and the board draw attention to the staff reports portion of the recruitment. It is highlighted as a first paragraph to inform you that Karla and Ramiro have been working hard with RESTEC for a familiarization tour. These are, these are folks from Europe, Germany, Denmark and other places that will come visit the area and they'll work with RESTEC and other partners to show them around The Port, The Airport, downtown, and also our sites for hopefully a potential investment. That date is for 2022 and we will send you some information on that later. This is the next item Select USA spinoff I sent you an email about that also but wasn't very clear so I thought that I'd show you or tell you what that is. We come to an invitation from Select USA to apply for a Spinoff Event. I was never familiar about Spinoff Events. I'm familiar with Select USA Events wither you go to Houston, Dallas or some other parts of the country where investors come, site selectors come and you listen to them and you try to pitch your town. Mr. Mario Lozoya presented the board with the Spinoff Event. He mentioned the importance of this event and the global opportunities that can align with bring business to our city. GBIC was selected to have a Spinoff event here in Brownsville which can bring many investors from various countries to visit our city for a potential investment.

There hasn't been a spinoff event in the border in the entire border of Texas so we will be the only Spinoff event in the border region. Really huge opportunity in my opinion for us to host a spinoff event here in Brownsville. The actual Select USA event that they are targeting is in June 3 to 4 so our opportunity will be before or after. When they fly in before or after or stay in after if they actual event and come visit us as a spinoff event. We will put a team together with the City of Brownsville, BCIC, with the airport, the port and put together an agenda so whoever Select USA hopefully it says hey we have six or seven or so interests to come and see your spinoff event. Then we will host them and items we would put together an agenda and presenting what the Graham Seiver-Schultz asked if there is a segment target to this event? Mario Lozoya responded that he has requested energy, OVMs in manufacturing, IT, and motor car manufacturing.

Mario Lozoya presented update on the BRE visits, CHCI and BISD connecting for students to attend internships. He also mentioned about the meeting with Pat Hobbs, Graham, and Workforce Solutions about the childcare resolution. Mr. Lozoya commented about the Robotics team and the importance of students participating in this program to be aligned with the "We Grow Our Own" strategic Plan. Mr. Lozoya stated that The PTECH program will receive a JET Grant to continue the program. There are 198 students this year in the program.

Porter High School Robotics President, Vice President, and students presented during this presentation about the Robotics classroom and trips that they have attended.

Esteban Guerra "Motion to Acknowledge"

Dennis Sanchez "Motioned to Acknowledge"

Sandra Duran "Motioned to Second"

Sandra Duran "My only recommendation as far as the Spinoff is that GBIC work on promoting the efforts and results that you guys have been accomplishing."

6. Discussion, consideration and possible action on Election of Officers of the GBIC Board of Directors. – (Executive Director & Staff)

Esteban Guerra "It's come to that time where the reorganization of the board it is upon us. It happens every January and before I do open up the floor for possible replacement for chair and vicechair. I want to publicly thank the board. For me its been a great honor to serve as chairman for the past year. I believe we have a lot of good things that we have been put into place, a lot of great projects, and thank Mario and the staff for the support throughout the year for all their hard work. Its been a lot of work but we are starting to get some traction here. Really good things are coming to Brownsville and it's because this board and all the hard work everyone is putting into it."

Sandra Duran "I would like to make a motion to table it and make a special meeting to discuss the positions. I agree with Jason that it's putting some people in a bind and some of our board members might have some actual ideas on how they want to propose the 2020."

Jason Wolfe "The special board meeting will be held where?"

Michael Pruneda "Same place here"

Esteban Guerra "We have a motion on the floor to table the reorganization"

Pedro Cardenas "No, I am not interested"

Dennis Sanchez "No"

Jason Wolfe "I would like to have a little more time involved with GBIC before I take over a role"

Pedro Cardenas "Well I guess there is not too much to talk about"

If that is the case, then I don't know if we have to go through a motion or

Esteban Guerra "There is a motion on the floor to table it and if there is a second, we'll move forward if not"

Sandra Duran "It seems like we are all in agreement. I will withdraw my motion after this discussion, and I would like to make a motion to elect, a nomination for Graham as chair"

Pedro Cardenas "I'll second that"

Graham Sevier-Schultz "I accept the nomination"

Esteban Guerra "All those in favor?" Board "I"

Esteban "Motion Carries I yield the floor to the new chair"

Jason Wolfe "Do we move forward. I would like to make a motion to nominate you Steve you take the nomination for vice chair in support Graham's new role that would be my motion."

Dennis Sanchez "I second that"

Graham Sevier-Schultz "I second that"

Esteban Guerra "We have a motion Second, all those in favor"

Board of Directors "I"

Pedro Cardenas "Ms. Duran I would like to have you nominated for treasurer"

Sandra Duran "I Accept"

Esteban Guerra "I have a nomination do I have a second? All those in favor?"

Board of Directors "I"

Pedro Cardenas "Mr. Wolfe I would like to nominate you for secretary."

Jason Wolfe "I'll accept the nomination"

Esteban Guerra "I'll second that motion all those in favor"

Board of Directors "I"

7. Discussion, consideration and possible action on payment of economic development incentives regarding the performance agreement for Ck Technologies. – (Ramiro Aleman and Griselda Munoz -CK Technologies)

Mrs. Griselda Munoz addressed the board about how CK Technologies and BISD has an agreement to help students understand technologies. She wanted to thank GBIC for the opportunity and the partnership.

Ramiro Aleman presented to the board that CK Technologies has partnerships that allow the students to have internships and externships with the company. The company has exceeded performance agreement within their contract and have employed 131 Brownsville Citizens. We are asking the board to payout the year 2 & 3 sooner since they met their goals.

Dennis Sanchez “They have completely complied with their number for the people that they were going to hire over the 3year term? So, they have 131 people when they were obligated to hire only 97. They basically burned out the contract at an earlier period of time”

Ramiro Aleman “Yes, correct”

Mario Lozoya “The board has the option to buy out the contract and just pay out year 2 but we know that they have exceeded and already covered year three. The board has the option to pay out year 3.

Dennis Sanchez “Mentioned to motion to pay out year 2 and 3 of the contract”

Pedro Cardenas “Motion Seconded”

Graham Sevier-Schultz “All those in favor?”

Motion Carried to pay year 2 and 3

Graham Sevier-Schultz “Motion passed to pay year two and three of the contract”

8. Discussion, consideration and possible action on proposed amendments to the GBIC Bylaws. (Michael Pruneda, Legal Counsel)

Michael Pruneda “can discuss in executive session”

Esteban Guerra Motioned to Table Discussion

Dennis Sanchez Seconded the Motion

Graham Sevier-Schultz Motion Carried to Table the Discussion

9. Discussion, consideration and possible action on a request for financial support for BSPA’s Radio Station. (Executive Director & Staff)

Mario Lozoya addressed the board to consider seed money for the radio station to continue with their programming here in Brownsville. Dr. Michael Quantz addressed the board with information about BSPA radio, 43 hundred tunes, and reaches about range is 200 thousand in immediate area of population right up to Los Fresnos to our sister city of Matamoros. “This radio is unique, and it is a non-commercial community-oriented programming. The mission is to support, educate, the culture, the arts, and community concerns which includes economic development. Our ask is about \$23,000 for startup support for going into this next programming phase. We have the basic equipment for the broadcast, but we do not have the software and we don’t have the regular engineering to manage the stations broadcast health.

Dennis Sanchez “Will you need fiber optic cable? If GBIC would agree to participate to some degree are they able to put on programs on the air? If Mario would like to discuss business development would he be able to do that without paying money?”

Michael Quantz “As long as it is part of KXIQ or KKIQ programing. If Mario would like to do a spot on Brownsville matters absolutely”

Dennis Sanchez “How many other agencies like BCIC, PUB, Chamber of Commerce are potential contributors to maintaining your livelihood? What are the main players?”

Michael Quantz “All. We are looking into going to the next phase, so we are approaching everyone who has the potential to support this. Mention was made of TSC, the university, and BISD”

Dennis Sanchez “How much are you proposing that GBIC contribute?”

Michael Quantz "We are low power and non-commercial so there for the 123,000 proposal is realistic funding for our startup."

Sandra Duran "I would like propose that we write a letter of support to help them pursuing UT, TSC, BISD, the city, the port, and PUB. I would like to suggest that we sign the letter of support that other organizations help this radio station. I'd like to make a motion to support this subject to reviewing our budget."

Michael Quantz is proposing for 23,000 start up to help in leveraging the overhead and maintaining the radio station.

Sandra Duran "I'd like to motion to table the discussion as to how much we can support them with. We would write letters of support to help you"

Dennis Sanchez "Would you be able to approach three other potential contributors and approach three other people to match what we contribute?"

Esteban Guerra "Or what Ms. Duran was saying to approach 8 or 10."

Dennis Sanchez "I would like to give him something to work for"

Pedro Cardenas "I Understood that she wants 15,000 if he goes out to get 6 more" "If he goes out to get 6 more we can give him the first 15 thousand"

Graham Sevier-Schultz "There can be a lot that can be done from yourself concert series, Latin jazz fest there is some opportunities there."

Jason Wolfe "Other wise it is not funded. What does it take to keep you going for the next month?"

Michael Quantz "2600 hundred dollars all in it covers license, overhead, and cable."

Jason Wolfe "The opportunity we have here is to fund 2600 hundred dollars and that 15-thousand-dollar contingent that over the next month you are able to go out and get commitment to help you cover your annual budget. I agree I don't want to fund something that will fizzle out in 3 months because no other funding was acquired so with the urgency of the next month maybe we agree to get them through the next month."

Pedro Cardenas "I'd like to make a motion to get them 2600 hundred dollars with the commitment that come back with at least 4 of the 6 we will give the rest and have him get the 15,000 next month. Capped at 15,000"

Esteban Guerra "I will second that motion" Motion Carried.

10. Discussion, consideration and possible action on the following RFP's:

- A. *Boundary & Topographic Survey*
- B. *Cultural Resource Study*
- C. *Environmental Site Assessment*
- D. *Geotechnical Investigation*
- E. *Marketing & Consulting Services*

Mario Lozoya addressed the board of the RFPs that applied and the deadline that we had for this proposal submission. We would like to as a board member to get involved in opening the packets for review and listing them out with one of GBIC team members. We are not talking about master planning we are just making it available for master planning. We are asking do we appoint someone from the board to open the RFPs to be part of this team and score them.

Helen Ramirez addressed the board that the master planning and needing all that back up information for the synergies.

Sandra Duran "I'll be happy to volunteer for that"

Jason Wolfe "I will motion that Ms. Duran be present with Mario and the staff to open these RFPs and begin the process of scoring all these candidates.

Esteban Guerra "I will second" Motion Carries

EXECUTIVE SESSION

Esteban Guerra "Motioned to adjourn to executive session

Sandra Duran "Seconded Motion" "Motion Carried"

11. CLOSED SESSION: In accordance with Chapter 551 of the Texas Government Code, the Board of Directors hereby gives notice that it may meet in a closed, non- public session to discuss the items listed on the public portion of the meeting agenda, including items 7, 8, 9 in accordance with the following below:

A. Pursuant to Section 551.071, the Board of Directors may convene in a closed, non-public meeting with its attorney and discuss any matters related to legal advice on pending or contemplated litigation, settlement offer, and/or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter. The Board of Directors and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

B. Pursuant to Section 551.072, the Board of Directors may convene in a closed, non-public meeting to discuss any matters related to real property and deliberate the purchase, exchange, lease, or value of real property as such would be detrimental to negotiations between the Board of Directors and a third party in an open meeting. The Board of Directors and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

C. Pursuant to Section 551.074, the Board of Directors may convene in a closed, non-public meeting to discuss any matters related to appointment, employment, evaluation, reassignment, duties and discipline or dismissal of a public officer or employee and to hear any complaints or charges against an officer or employee. The Board of Directors and its attorney may also discuss such issues with the appropriate staff including members so as to obtain necessary and relevant information so that such discussion is informative and developed.

D. Pursuant to Section 551.075, the Board of Directors may convene in a closed, non-public meeting to discuss any matters with any and all employees to receive information or question the employees. The Board of Directors and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

E. Pursuant to Section 551.084, the Board of Directors may convene in a closed, non-public meeting to discuss any matters involving an investigation and may exclude a witness from hearing during the examination of another witness in the investigation. The Board of Directors and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

F. Pursuant to Section 551.087, the Board of Directors may convene in a closed, non-public meeting to discuss any matters regarding economic development issues. The Board of Directors and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

- Project Bumblebee (Noel Bernal, City Manager)
- Project Bobbin (Executive Director & Staff)
- Project DC (Executive Director & Staff)

G. Pursuant to Section 551.089, the Board of Directors may convene in a closed, non-public meeting to discuss any matters on the deployment, or specific occasions for implementation, of security devices or audits. The Board of Directors and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

RECONVENE

Esteban Guerra "Make a Motion to Un-table item #8"

Dennis Sanchez "I Second it" Motion Carried

Item # 8 Esteban Guerra "Make a motion to term"
Pedro Cardenas "Second motion" Motion Carried

12. Reconvene for possible action on any item(s) as discussed in Executive Session and those that are listed on the public portion of the agenda.

• **Discussion, consideration and possible action on negotiations related to Project DC.**

Pedro Cardenas "Table the discussion"

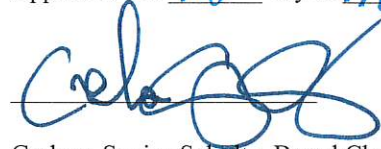
Dennis Sanchez "Seconded the motion" Motion Carries

Graham Sevier-Schultz Called for a special meeting for Project Bumblebee to be scheduled for a later date.

13. ADJOURNMENT

Esteban motioned to adjourn the meeting at 8:42pm. The motion was seconded by Pedro Cardenas. Motion Carried.

* Approved this 18 day of May, 2020. *



Graham Sevier-Schultz, Board Chair

Respectfully Submitted By: Elsa M. Galvan, Executive Assistant