

MCKINNEY ECONOMIC DEVELOPMENT CORPORATION

DECEMBER 16, 2014

The McKinney Economic Development Corporation met in regular session in the Dowdy Board Room, 5900 S. Lake Forest Drive, McKinney, Texas, on December 16, 2014 at 8:00 a.m.

Board Members Present: Chairman Darrell Tate, Vice-Chair Lance Lindsay, Secretary/Treasurer Robbie Clark, Pablo Ruiz, Chuck Branch, Julie Fort, and Randy Page. Council Liaisons Present: Mayor Pro Tem Travis Ussery, and Council Member Geralyn Kever.

Absent: Board Alternate Joseph Strub.

Council Members Present: Mayor Brian Loughmiller, and Council Member Randy Pogue.

MEDC Staff President: President/CEO Jim Wehmeier; Executive Vice President Abby Liu; Director of Business Development Chad Walker; Director of Business Retention, Expansion and Emerging Technology John Valencia; Director of Marketing Cayti Stein; and Administrative Assistant Deb Hass.

City Staff Present: Corporation Attorney Mark Houser; Interim City Manager Tom Muehlenbeck; and Chief Financial Officer Rodney Rhoades.

Chairman Tate called the meeting to order at 8:02 a.m. after determining a quorum present.

14-1316 Minutes of the McKinney Economic Development Corporation Meeting of November 18, 2014. Board members unanimously approved the motion by Secretary/Treasurer Clark, seconded by Vice-Chair Lindsay to approve the Minutes of November 18, 2014.

14-1317 Consider/Discuss/Act on November Financials. Chief Financial Officer Rhoades reported that the November financials had not been completed due to the audit process. Mr. Rhoades reported the financial report will probably be out later in the week, and the report would be emailed to the Board members. Secretary/Treasurer Clark asked if the MEDC Board meeting were moved to the fourth Tuesday of the month, would this

make it easier for finance to have the monthly financial report due for the meeting. Mr. Rhoades stated there is usually not a problem getting the financials in the Board packets, but the change of the meeting date would be up to the Board. Board members unanimously approved the motion by Board member Ruiz, seconded by Board member Clark to table the November Financials to a later meeting.

14-1318 Director of Business Development Report. Chad Walker, Director of Business Development reported that he attended the Area Development Consultants Forum in Fort Lauderdale, FL, December 7th-9th. Mr. Walker stated this group brings in top site consultants around the country. Mr. Walker reported he has now acquired Salesforce, and it should be up and running soon.

14-1319 Director of BRE/Emerging Tech Report. John Valencia, Director of BRE/Emerging Tech reported that Encore Wire obtained their certificate of occupancy for their new building, and is now in their new building. They anticipate being fully functional in their new building by early summer. Mr. Valencia stated Manner/Perfectly Green solar field and power generation is up and has been fully running for approximately six weeks. Mr. Valencia reported McKinney WERX has received the Employer Identification Number dated December 12, 2014 and forms 1013 and 1024 to the IRS for tax exempt status are in process and will be filed in mid-January.

14-1320 Director of Marketing Report. Director of Marketing, Cayti Stein reported she attended training at the OUEDI. Ms. Stein commented she attended classes in economic development pertaining to finance, and a class on entrepreneurship. Ms. Stein stated there are several print ads being published. Ms. Stein had hoped to be able to show the Board the new MEDC video, but stated it still needed some work completed on it. Ms.

Stein reminded the Board the Community Awards Banquet is on January 30, 2014, and that EDC usually gives out two awards, the community award for corporate businesses, and an award for company expansion.

14-1321 Executive Vice President Report. Executive Vice President Abby Liu reported she and Mr. Walker participated in the Mexico in Dallas – TexasOne Invest in Texas reception that was held in Dallas on November 19, 2014. Ms. Liu stated McKinney was the only Collin County City that participated in the event. Ms. Liu reported she, Mr. Wehmeier, Mr. Walker, and Mayor Loughmiller attended the luncheon in Austin, TX for Governor Perry, and a dinner for Governor-Elect Abbott. Ms. Liu commented that Governor-Elect Abbott stated he will continue the TexasOne program.

14-1322 President - CEO Report. President Wehmeier reported the Administrative Assistant position that has been approved in budget has been posted. Mr. Wehmeier stated the CRM (Salesforce) is moving forward. Mr. Wehmeier commented in the past EDC has hired an accounting firm to assist with contract compliance. The cost of the accounting firms' assistance was approximately \$700 per contract per year. Mr. Wehmeier stated he has contacted Murray and Mensch P.C. asking if they would still be interested in the contract compliance, and if so could they quote a flat rate per contract. Mr. Wehmeier commented the goal of the TexasOne event in Austin, Tx. was to reassure the members that Governor-Elect Abbott would continue the program.

14-1323 Chairman's Report. Chairman Tate thanked the Board members for their input in the strategic planning session. Chairman Tate explained that not all items on the agenda will be addressed today due to City Council recommendation. Chairman Tate stated some of the items on the agenda need to be addressed after the City Council's strategic planning

meeting that will be held in January. Mayor Loughmiller commented that after the City Council strategic planning meeting, the City Council and the MEDC Board will have a joint meeting. Board member Fort asked to have a months' notice for when the next strategic planning meeting will be held for schedule purposes. Secretary/Treasurer Clark commented after reviewing the current bylaws, the MEDC planning session for the following year should be held in the beginning of August, but now is on a January schedule. Secretary/Treasurer Clark asked if the Board is going to continue this schedule. Mr. Wehmeier stated the bylaws might have to be amended for the MEDC to have their strategic planning session following the City Council strategic planning meeting. Council member Kever stated the core of City Councils discussions today evolve on Boards and Commission leaning on City Councils goals and priorities. Ms. Kever stated City Council needs to determine what time in the year City Council will have their goals and priorities for Boards and Commissions established so that each Board and Commission can take those goals and priorities and incorporate them into the Boards strategic planning. Mayor Loughmiller stated City Council needs to provide to the Board their expectations on an annual basis. Mayor Loughmiller commented that some of the items on today's agenda are items that City Council has not addressed, such as land acquisition, which is a policy issue. Board member Fort asked if City Council will want input on those policy issues. Mayor Loughmiller said City Council does, that is why the joint meeting between City Council and the Board is necessary. Mayor Loughmiller stated the process is usually City Council decides their perspective on policy, and directs the Board on how to implement that policy. Council member Kever stated a good policy might be to have the City Council liaisons take feedback from the Board and take that feedback to the City Council planning retreat. Board member Fort stated the Board needs to know if City Council wants input on policy from the

Board to move forward in their decisions. Mayor Loughmiller stated all Boards function is to assist City Council in implementation of public policy, and that City Councils job is to establish public policy. Mayor Loughmiller stated City Council has always taken input from the Board, and usually adopts what the Board has recommended. Secretary/Treasurer Clark commented the MEDC was created to be somewhat autonomous, and that the City's part was to appoint the members to the Board. Secretary/Treasurer Clark stated with this proposed policy it will be less reliant on the Board and more reliant on City Council to make economic decisions on economic development. Mayor Loughmiller stated it was not his intention or the Councils intention to do that, and stated City Council relies on the Board to develop an incentive strategy, apply that strategy to projects, and to make recommendations to City Council.

Chairman Tate recessed the meeting into executive session at 8:35 a.m. per Texas Government Code Section 551.071 (2) Consultation with Attorney on any Work Session, Special or Regular Session agenda item requiring confidential, attorney/client advice necessitated by the deliberation or discussion of said items (as needed), Section 551.072 Discuss Real Property, and Section 551.087 Discuss Economic Development Matter, Section 55.074 Personnel Matters as listed on the posted agenda. Chairman Tate recessed to open session at 9:40 a.m.

14-1324 Consider/Discuss/Act on Manner Plastics. Board members unanimously approved the motion by Board member Page, seconded by Board member Fort to approve staff recommendations on Manner Plastics.

14-1325 Consider/Discuss/Act on Gateway Site Development Agreement. Board members unanimously approve the motion by Board member Fort, seconded by Vice-Chair Lindsay to authorize entering into an MOU that reflects the summary memo reviewed in executive session, Corporation

Attorney Houser's notes, and City Council comments on the Gateway Site Development Agreement.

Chairman Tate called for a ten minute break at 9:45 a.m. Chairman Tate reconvened into open session at 9:55 a.m. Chairman Tate called for the Marketing Overview to be given at this time.

14-1332 Marketing Overview · David Margulies Presentation · Development Counsellors International Overview · What Can We Do To Better Market Ourselves. Marketing Director Stein introduced David Margulies from Margulies Communication. Mr. Margulies presented a PowerPoint presentation on PR and marketing strategies Margulies has been providing MEDC. Executive Vice President Liu gave an overview of Development Counsellors International (DCI). Several ideas and comments on attracting new businesses were discussed by the Board. The Board also discussed what tracking programs are available. The Board suggested contact with real estate brokers, and site consultants be made monthly.

14-1339 Identify Top Five MEDC Priorities for 2015. No discussion on this item at this time.

14-1334 Consider/Discuss President-CEO Expectations of the Board. The Board discussed the hand out on Mr. Wehmeier' expectation of the Board. Some of the topics included staff communication, confidentiality, and conversations with the City Attorney. Mayor Loughmiller commented on the procedure the City Council and the City Manager do when dealing with strengths and weaknesses in regards to the City Manager to address areas of concerns or areas to better communicate to get to the end result. Mayor Loughmiller explained this is a good tool to get to the staff and Boards expectations.

14-1333 Consider/Discuss Board Expectations of the President-CEO. At this time Chairman Tate asked staff to leave the meeting.

- 14-1326** Consider/Discuss/Act on Updating MEDC Bylaws. No discussion on this item at this time.
- 14-1327** Consider/Discuss/Act on Land Acquisition in Strategic Development Areas. No discussion on this item at this time.
- 14-1328** Discuss Guiding Principal of Planning Session, "Are Our Goals in Line with the City of McKinney's". No discussion on this item at this time.
- 14-1329** Discuss Preparing and Economic Development Plan. No discussion on this item at this time.
- 14-1330** Consider/Discuss/Act on Mission and Vision Statements. No discussion on this item at this time.
- 14-1331** Consider/Discuss Target Markets and What Types of Businesses MEDC Wants to Attract. No discussion on this item at this time.
- 14-1335** Consider/Discuss Staffing Levels Now and in the Future. No discussion on this item at this time.
- 14-1336** Consider/Discuss MEDC Financial Position, Are We in a Good Position for the Future. No discussion on this item at this time.
- 14-1337** Consider/Discuss McKinney CEO Roundtable. No discussion on this item at this time.
- 14-1338** 2015 Measureable Goals. No discussion on this item at this time.

Chairman Tate adjourned the meeting at approximately 12:45 p.m.

DARRELL TATE
Chairman