

MINUTES OF REGULAR MEETING

September 18, 2023

MONTGOMERY ECONOMIC DEVELOPMENT CORPORATION

CALL TO ORDER

Vice President Jeff Angelo called the meeting to order at 6:01 p.m.

Present: Jeff Angelo – Vice President
Carol Langley - Treasurer
Ryan Londeen - Secretary
Byron Sanford – Board Member
Dan Walker -Board Member

Absent: Wade Nelson – Board Member

Also Present: Dave McCorquodale, Assistant City Administrator
Diana Cooley, Deputy City Secretary

CALL TO ORDER

OPEN PUBLIC COMMENT

No public comments were made.

Ryan Londeen joined the meeting at 6:05 p.m.

CONSIDERATION AND POSSIBLE ACTION:

1. **Approval of the Special Meeting minutes of July 10, 2023.**
Motion to approve the July 10, 2023 meeting minutes was made by Carol Langley and seconded by Byron Sanford. All in favor. (5-0)
2. **Approval of the Regular Meeting minutes of August 18, 2023.**
Motion to approve the August 18, 2023 meeting minutes was made by Byron Sanford and seconded by Dan Walker. All in favor. (5-0)
3. **Consideration and possible action on approval of an \$8,000.00 sponsorship for the 2023 Montgomery Fall Festival.**
Motion to approve the expenditure of \$8,000.00 for the sponsorship of the 2023 Montgomery Fall Festival was made by Carol Langley and seconded by Byron Sanford. All in favor. (5-0)

4. **Consideration and possible action on a recommendation to City Council for the FY 2024 MEDC Budget.**

Mr. McCorquodale said following the budget workshop on September 11, 2023 there was one change made. Mr. McCorquodale said to account for the McCown Streetscape Design Project and Wayfinding Project which totaled \$143,597 combined, the Events Budget was lowered to \$61,000 and the funds were reallocated to cover the total amount of both project expenses.

Byron Sanford said he has a request from a citizen to update the Fernland sign. Byron Sanford asked what category in the budget would this item fall under. Mr. McCorquodale said it would be in Public Works under the Parks and Recreation budget. Mr. McCorquodale said this is something the Public Works Director Mike Muckleroy could look into.

Byron Sanford asked where is the cost for the Wayfinding budget. Mr. McCorquodale said there is no cost for the actual signage yet. Mr. McCorquodale said the consultant will have a better idea of the cost once the design is complete. Mr. McCorquodale said in general in terms of signage it is usually \$3,000 to \$500,000 and a lot of that will depend on the total quantity of signs and final design. Mr. McCorquodale said the consultant did mention a phased installation in his presentation. Mr. McCorquodale said this may or may not be something EDC can fund, but certainly would ask if EDC is willing to partner with the City at least in the first phase on the signage.

Byron Sanford asked if they committed to tear down, set up, or barricade for the Music in the Park event. Mr. McCorquodale said they did not. Mr. McCorquodale said they did not ask for it this year but back when the event was the Wine and Music Festival the EDC did sponsor the event almost on an annual basis. Mr. McCorquodale said they have not asked for a partnership for a number of years.

Dan Walker asked if they allocated funds for social media advertising. Mr. McCorquodale said there is \$3,000.00 budgeted which is a zero percent change from last year. Mr. McCorquodale said a portion of that includes Mailchimp.

Byron Sanford asked if the admin transfer to the general fund was a follow up for the 380 Agreements. Mr. McCorquodale said those are expenses the MEDC can spend money on. Mr. McCorquodale said the City budget is extremely tight this year and Mr. Palmer and Ms. Carl are asking the EDC to pick up more expenses this year. Ryan Londeen asked how is that different from transfer to capital projects. Mr. McCorquodale said the capital projects is just for the capital projects fund and does not go into the general fund. Ryan Londeen asked what would they be paying for in the general fund. Mr. McCorquodale said a third of it would be for the City Administrator's salary and in reality the EDC uses a lot more than a third of the City Administrator's time. Mr. McCorquodale said EDC uses the finance office, the City Secretary's office, and office space which is all part of the administration department. Mr. McCorquodale said there is currently \$39,000.00 in the fund and the idea is when they do hire a full-time economic development director Mr. Palmer will no longer need to spend a third of his time with the EDC. Byron Sanford said as time goes on the idea is that more and more will shift from the EDC back to the City.

Jeff Angelo said one of the things that did a disservice to the budget was pigeonholing these events but they

cannot be pulled from the budget for two years. Mr. McCorquodale said it is five years. Carol Langley said when the public looks at the budget if you had it on there for five years and then it is gone, it is easier to visit with the public when the item was on there. Carol Langley said with zero listed it informs everyone there is no money being spent there, but when it is completely gone the public is concerned about what happened. Jeff Angelo asked if the internal budget numbers would be available for the public. Mr. McCorquodale said they could certainly make that happen. Jeff Angelo said he thinks that would go a long way. Carol Langley said she was told they would not do that. Mr. McCorquodale said there is nothing wrong with the EDC keeping a published list of their events but it does not belong in a city budget. Byron Sanford said he believes what Mr. Palmer said was that everything the public is able to see they can see what is allotted and what was spent, but for internal accounting purposes it will look different. Mr. McCorquodale said the EDC in the past couple of years has adopted a different format for the budget and this year they are taking a different direction. Mr. McCorquodale said the EDC budget is a part of the City's budget that is one fund that is part of what makes up all of the City's budget. Mr. McCorquodale said the EDC recommends to Council what their budget is and then Council is the only one that can adopt the budget.

Ryan Londeen asked if they can have a document which shows the total budget for each event. Mr. McCorquodale said absolutely and that is what they have asked Ms. Patricia Campuzano the Events Specialist who is very meticulous at tracking those expenses to do.

Jeff Angelo said there needs to be clarity for the residents to know what events the EDC is going to continue funding and which events they are not. Jeff Angelo said for the most part the budget looks fine and they have captured exactly what they discussed at the last workshop. Jeff Angelo said the public needs to see the budget for what it is and for what it is intended.

Jeff Angelo mentioned from the workshop on September 11th, the admin transfer of \$275,000 also covers the internal audit for which the EDC covers a third of the cost.

Ryan Londeen asked if all the expenses are recorded in the monthly expense reports. Mr. McCorquodale said yes it will show where the EDC is on the year to date line items and it will also show dollar for dollar like a check register which will be a very detailed recording on what the EDC funds are spent on. Ryan Londeen said he would still like to see the reserve fund earmarked so the public can see there is intention.

Jeff Angelo said of all the concerns he has heard that tends to be the biggest one is are they actually going to utilize their reserve for the development they have been working on. Jeff Angelo said it is also a social media thing in making sure people are in the know about upcoming events.

Motion to present the FY 2024 MEDC budget as a recommendation to City Council was made by Ryan Londeen and seconded by Byron Sanford. All in favor. (5-0)

BOARD INQUIRY

Byron Sanford said he heard back from the Executive Director of the Houston-Galveston Area Council (HGAC) who said he will send a group to meet with him. Byron Sanford said he expressed to them their demographics are not right. Byron Sanford said it is not right they cannot get help for their infrastructure based on the exponential

growth the City is experiencing. Byron Sanford said they have been getting kicked out of every effort they have made from the HGAC to receive funds. Byron Sanford said the HGAC is reaching out to them now. Byron Sanford said he will give an update once he meets with HGAC. Byron Sanford said he would rather not finance too much money but they will have to finance some. Byron Sanford said if they receive any funds it will make the EDC a lot less burdened going forward and that is what he hopes this economic director finds.

Jeff Angelo said he thinks having the economic director is going to be critical. Jeff Angelo asked Mr. McCorquodale to update them on the application progress for filling the vacant EDC seat and now that they are past the budget, where do they go from here.

Mr. McCorquodale said Mr. Palmer has three applications for the EDC appointment. Mr. McCorquodale said this person must be a resident of the City as their Bylaws do require a majority of the Board to be residents of the City. Mr. McCorquodale said Mr. Palmer has a workshop with City Council on September 25th and Council can decide on the appointment at their regular meeting on September 26th. Mr. McCorquodale said once the Board is fully staffed the next step would be to appoint a president of the Board.

Mr. McCorquodale said he has a draft job description for the MEDC Director position he will need to review with Mr. Palmer. Mr. McCorquodale said once the job description has been approved by Mr. Palmer he will distribute to the Board for feedback and at the next meeting with MEDC's approval of the job description, the position will be posted.

ADJOURNMENT

Motion by Ryan Londeen and seconded by Dan Walker to adjourn at 6:33 p.m. All in favor. (5-0)

Submitted by: _____
Diana Cooley, Deputy City Secretary

Date Approved: _____

Jeff Angelo, MEDC Vice-President