

MINUTES OF REGULAR MEETING
AUGUST 20, 2018
MONTGOMERY ECONOMIC DEVELOPMENT CORPORATION

CALL TO ORDER

President Rebecca Huss called the meeting to order at 6:00 p.m.

Present: Rebecca Huss – President
 Bill Hanover – Secretary
 Amy Brown - Board Member
 John Champagne – Board Member
 Cheryl Fox – Board Member

Absent: Bob Kerr – Vice President
 Randy Moravec - Treasurer

Also Present: Jack Yates – City Administrator
 Shannan Reid – EDC Director

OPEN PUBLIC COMMENT

No public comment.

APPROVAL OF MINUTES

Minutes of July 16, 2018 Regular Meeting –

President Huss asked for comments on the minutes as presented.

Mrs. Huss asked Mr. Yates whether it would require a vote to begin the practice of appending material that was presented to the Board during the previous meeting to the minutes or whether this could occur by consent. The example given was that at the previous meeting, the HMBA vice-president provided a sheet that detailed the 2018 Antiques Festival budget and it

would be helpful if this information was available for future use. Mr. Yates advised the Board it did not require a vote and the minutes for the previous meeting could begin to include all information presented at the meeting including items not in the Agenda Pack.

Mr. Champagne made a motion to accept the minutes as presented, seconded by Mr. Hanover. All in favor. (5-0)

MONTHLY FINANCIAL REPORT

Report for July, 2018

Mr. Yates went through the line items, primarily mentioning the fund balance and the Laurel Paving expense.

Motion by Mr. Hanover, seconded by Mrs. Brown to approve the June 2018 Financial Report as presented. All in favor. (5-0)

CONSIDERATION AND POSSIBLE ACTION

5. Consideration and possible action regarding September 2018 cancellation of the Montgomery Area Chamber of Commerce Agreement.

Mr. Yates presented a letter received from the Chamber of Commerce stating that they would like to end the contract with the EDC on September 30, 2018. He explained that the EDC would need to approve the date change from December 31, 2018 to September 30, 2018.

Motion by Mr. Champagne, seconded by Mrs. Fox to terminate the MEDC/MAAC agreement on September 30, 2018 as requested by the MAAC. All in favor. (5-0)

6. Consideration and possible action regarding calling a Public Hearing regarding the 2018-2019 budget.

Mr. Yates informed the Board that a public hearing is legally required before the adoption of the MEDC budget, and recommend the September 17, 2018 Board meeting as the time to hold the public meeting.

Motion by Mr. Champagne, seconded by Mrs. Brown to call a public hearing for the MEDC budget on September 17, 2018, at 6:00pm at City Hall at 101 Old Plantersville Road. All in favor. (5-0)

7. Consideration and possible action regarding a request for \$1,075 from the Montgomery Historical Society for brochure printing cost – Bea Rouse

A representative for the Historical Society was not in attendance.

Mr. Yates said the Historical Society presented the application requesting funding for brochures.

Mr. Champagne and Mrs. Huss discussed the effectiveness of printing brochures as opposed to distributing information in a digital format.

Mrs. Huss pointed out the Board may want to consolidate the marketing and brochure budget under a unified logo or message after the new employee has been hired.

Champagne moved, seconded by Brown to table the request for \$1,075 from the Montgomery Historical Society for brochure printing costs until the MEDC has its own marketing person. All in favor. (5-0)

8. Consideration and possible action regarding the 2018-2019 Budget.

Mr. Yates presented the changes to the proposed budget that were sent to him by Randy Moraveck, the Board Treasurer. Mr. Moraveck suggested moving the \$80,000 budgeted for the marketing person and the expenses of that position from Economic Development Office under Administration (Category V) to the Reimbursement of General Fund Expenses under the same category. This brings the Reimbursement of General Fund Expenses from \$37,500 to \$107,500. Mr. Yates then increased the Utility Extensions line item (Category I) from \$41,900 to \$121,000. He explained that this would bring the Total Expenditures to \$591,300 to match the \$591,300 in Total Income. Mr. Yates informed the Board a vote could not be held at this time. This change was only for presentation to the Board.

Mrs. Huss asked if the Festival line item could be moved from Marketing & Tourism (Category IV) to Quality of Life (Category II) because of the cap on spending for Category IV.

Mr. Yates said it would make sense to move the line item and stated that he would contact the Texas EDC person to make sure the move was allowed.

No action was taken on this item.

9. Consideration and possible action regarding resignation of Bill Hanover as Secretary.

Mr. Hanover stated he was resigning as Board Secretary due to the new requirement that the Secretary prepare the minutes of the monthly meetings instead of Mr. Yates preparing the minutes.

A discussion was held as to whether the previous meetings were recorded, and Mr. Yates informed the Board that he had only recorded one or two meetings in the past.

Champagne moved, seconded by Fox to accept the resignation of Mr. Hanover as secretary of MEDC. All in favor. (5-0)

10. Consideration and possible action regarding election of Secretary.

Motion by Mr. Champagne, seconded by Mr. Hanover to nominate Mrs. Brown as Secretary of MEDC.

There were no other nominations.

Motion by Mrs. Fox, seconded by Mr. Champagne to close the nominations. All in favor. (5-0)

Mrs. Brown was elected by general consent with no objections.

11. Consideration and possible action regarding 1, 3, and 5-year goals and formal recommendation to present these goals and the previously accepted updated mission statement to Council before formal adoption.

Mrs. Huss stated that this item was a carryover item from the previous month concerning the request for Board suggestions on the 1,3 and 5-year goals. She informed the Board members that were not at the July meeting of the new Mission Statement. A copy of the new Mission Statement was passed out to those who did not previously receive one.

Mrs. Huss explained the intention of having concrete, quantifiable goals instead of generalized goals so the Board would have something to use in order to plan for the future and have something by which to measure success or failure.

Mrs. Huss read the one-year goal suggestions aloud.

Mrs. Brown pointed out that these are just suggestions and the list may be altered as the Board sees fit.

Discussion was held addressing major categories for the goals in order to organize them. Four categories were suggested: The Way Montgomery Looks, Bringing People to Montgomery, Infrastructure and Economics, and MEDC Accountability.

Mrs. Huss asked Mrs. Brown to sort the goal suggestions into the four categories for further discussion at the September meeting.

No action was taken on this item.

12. Discussion of Festivals guidelines.

Mrs. Huss presented the Board with possible guidelines for future festival funding. She explained that she and Mr. Kerr had worked on the suggested guidelines.

Mr. Yates explained there could be two points of view on the requirement of free entry into EDC funded festivals. One point would be that the grant is to entice as many visitors as possible to town regardless as to whether or not a charge is made. The second point would be that public funds should not be used for an event that did not allow public access.

Mr. Champagne asked if there were any current or proposed festivals that charged an entry fee.

Mrs. Huss answered no. She explained she and Mr. Kerr looked at what other cities and municipalities and entities were doing, and this was an item that was common among those researched.

Mrs. Huss reminded the Board all of the suggested requirements were open for discussion and action.

Mrs. Brown suggested changing the three-year maximum allowed for funding to a five-year maximum due to the fact that a group creating a new festival would need time to get organized before being required to self-finance.

Mrs. Fox and Mrs. Hanover questioned the need for time limitations on funding.

Mrs. Huss explained limitations encourage independence.

Mr. Champagne supported the limitations.

Mrs. Fox agreed with Mrs. Brown's suggestion to change the three-year limit to five years.

Mrs. Huss pointed out requesting information about the use of funds, target audience, and other criteria would be beneficial to the city's own marketing efforts.

Mrs. Huss asked the Board's opinion on not financially supporting events that are used for fundraisers, prize money or scholarships.

There was no dissent from the Board on the topic.

Mrs. Brown asked if Mrs. Huss and Mr. Kerr had created guidelines for festivals organized by the new Tourism/Marketing person.

Mrs. Huss said that they had not created guidelines at this point, but anticipates presenting that at the next meeting. She stated that the Board will need to consider how the Tourism/Marketing person will be spending money in general. She questioned how some of the spending in the past was initiated and/or approved. Mrs. Huss stated that she believes that the clearest way forward would be to have the Tourism/Marketing person bring the Board a budget with line items for the Board to approve. There should also be an explanation of the expenditure's target audience, anticipated benefit and other criteria presented to the Board. The Board should vote on all of the Tourism/Marketing person's expenses.

Mrs. Huss explained that this agenda item was only a discussion and asked Mr. Yates to place it on the September agenda as an action item.

No further action was taken on this item.

13. Discussion of Festivals calendar.

Mrs. Huss explained she and Mayor Countryman have been in discussions about ideas to increase tourism in Montgomery, specifically concerning festivals. Due to previous comments

from the Board, Mrs. Huss contacted the city of Fredericksburg to inquire about their festivals and events. In response, she received two brochures that Mrs. Huss showed the Board.

Mrs. Huss pointed out the intention is to set a few priorities for the new Tourism/Marketing employee and to set aside dates on the calendar for future festivals organized by the city's employee.

The suggested festivals include:

- Pet Festival at the end of February
- Flag Festival in early March
- Wildflowers and Wine in early April
- Airing of the Quilts at the end of April
- A second HMBA Antique Festival in September
- Octoberfest in October
- Expand upon the Belle's Haunted House the last weekend in October
- Texian Revival in November
- Improving the Historical Society's Christmas in Montgomery in December
- Children's Festival
- Countywide Car Show and Parade

Current festivals already on the calendar include:

- HMBA's Antique Festival the first weekend of May
- The Chamber's Fourth of July Festival
- Homecoming Parade
- The Chamber's Wine Festival the third weekend of September
- The Belle's Haunted House the last weekend in October
- Historical Society's Christmas in Montgomery in December

Mr. Champagne asked if the Tourism/Marketing new hire would be the person spearheading the new festivals. Mrs. Huss said that would be correct.

Mayor Countryman pointed out that the First Saturday, Bingo, Sip and Stroll and Movies in the Park would also continue and be added to the calendar.

Mrs. Brown asked if the Mayor and Mrs. Huss had a physical calendar to show the Board. Mrs. Huss stated that she would provide one.

Mrs. Fox pointed out a car show is scheduled on April 13, 2019 in Houston and Mrs. Huss stated it would make sense to schedule a car show in Montgomery immediately after the show in Houston.

Mr. Yates suggested a parade would be a good event to schedule during the Flag Festival.

Mrs. Huss said these festivals would add to the quality of life for the residents in Montgomery and bring in tourists.

Mr. Champagne stated he would encourage willing community members to join a committee organized by the Tourism/Marketing employee to offer ideas and work out details of future festivals.

Suggestions were made as to how to notify the community of the opportunity to join such a committee, such as placing a notice in the water bill and on the digital sign.

No action was taken on this item.

14. Consideration and possible action regarding Tourism position and qualifications description.

Mr. Champagne and Mrs. Brown presented the Board with a job description for the Marketing/Tourism position to be discussed prior to posting the job opening.

Mr. Yates suggested the new employee work up a quarterly work plan for the Board to review each month with specific action items.

Mrs. Huss stated she would like wording in the job description changed to include "working with diverse stakeholders" and "different interest groups in the city." She noted it is important for the new employee be flexible and get along with various groups in the city. She also noted the importance of the new employee creating a budget and working within that budget.

Mrs. Huss asked how the Board envisioned the process of selecting the employee after the job is posted.

Mrs. Brown suggested once the resumes are received, the City Secretary could initially separate out the resumes of applicants that do not qualify for the position, then two Board members could narrow the list of applicants before final in-person interviews with Mr. Yates and other members of the Board.

Mrs. Huss asked if the Mayor should be involved and Mrs. Brown agreed that she should be involved.

Mr. Yates noted his suggestion which was included in the agenda that one or two MEDC board members work with him to review applications and then sit in on the interviews.

Mrs. Huss stated she would prefer the Board become more involved and not rely on Mr. Yates as much as in the past. By having the Board narrow down the applications, Mr. Yates would not be required to invest as much time into the process. The Board agreed.

Mrs. Huss instructed Mrs. Brown to amend the proposed job description as the Board discussed and as Mrs. Brown feels appropriate, then to send it to Mr. Yates to post.

Huss moved, seconded by Champagne to approve the job description as read, with a few changes based on the Board's discussions, and to direct the city administrator to advertise for the position. All in favor. (5-0)

15. Discussion of Website decision.

Mayor Countryman updated the Board of the ongoing work by the city's Website Development Committee of which the Mayor, Mrs. Huss and Mrs. Brown are involved.

The Mayor said the committee has had two conference calls with a company named Municode who works with cities to create websites. The current proposed website would be flexible and the city could easily update calendars, meeting minutes, a business directory and job openings.

Different departments would have the capability of updating that department's information and all of the departments would feed back into the main city page.

The entire website would cost the city \$4,000 to create the basic option offered by the company. Municode would also charge \$1,500 annually for hosting, maintenance and customer support. Each department would have a subpage for free and would have the option of creating a specialty page, with its own domain for \$3,500 and an annual hosting fee of \$600.

Mrs. Brown suggested the EDC start with a free subpage and consider upgrading to a specialty page when and if the need arises in the future.

Mayor Countryman also pointed out that the website will be mobile friendly which is important since 60% of users view websites on their mobile devices.

Mrs. Huss noted the free subpage on the city's website would be an informational page for the EDC containing information on city business not a tourism page.

Mrs. Brown added that the EDC could also have a free subpage for tourism. There are no limits on subpages. She also suggested the Tourism/Marketing person could manage the updating of the website.

Mayor Countryman said building the website would take thirteen weeks or approximately three months and that it is a very reasonable investment for the finished product.

Mrs. Brown agreed the samples provided by the company were user-friendly, professional and beautiful.

Mr. Yates noted that Municode has been in business for many years and originally started out transcribing records, ordinances and minutes for cities. He said this company specifically works with cities so it is not just a general website design company.

Mrs. Huss asked Mayor Countryman about the Distrx app and how the process is progressing since the Mayor began managing the project.

Mayor Countryman reported communication with the company has restarted and response by the business community has been wonderful. Twelve to fifteen businesses have signed up with more indicating they will be joining in the near future.

Mrs. Huss thanked Mayor Countryman for doing the work to make sure this project was handled correctly. Mayor Countryman noted that Mrs. Huss and Mrs. Brown were instrumental in getting the ball rolling in the right direction.

Mrs. Huss asked Mayor Countryman when the city expects to start the process of designing the website with Municode.

Mayor Countryman explained the Website Development Committee has already begun internal discussions on design. They are building a "framework or skeleton" to have in place before handing it over to the design experts at Municode.

Mr. Yates stated the item will go before City Council the first meeting in September.

Mrs. Brown asked who the Board wished to appoint as the MEDC representative in the design process.

Mrs. Huss agreed to be the representative due to no volunteers.

No further action was taken on this item.

16. Economic Development report – Shannan Reid, Jack Yates

Development Status Report –

Mr. Yates presented the Development Status Report and explained that it is the same report as last month. He noted the CVS and The Spirit of Texas Bank projects have both been moving quickly. He also informed the Board that July was a record sales tax month with \$15,200,000 worth of activity, but it was also included the quarterly report from Brookshire Brothers and Kroger. Mr. Yates said sales tax revenue has been averaging about \$30,000 a month over the previous months.

Mrs. Huss asked if the city hired the company to "slice and dice" the revenues.

Mr. Yates answered yes and the company would have a report for City Council at the September 28th meeting. Mrs. Huss asked for the report to also be provided to the EDC.

Engineer Report –

Mr. Yates also presented the Engineering Report from Jones and Carter. Mr. Yates noted the Buffalo Springs Bridge has a scheduled completion date near the second week of September. He also informed the Board of an escrow payment from Chris Cheatum.

Economic Development Director Report-

Mr. Yates stated he received a thumb drive from Mrs. Reid containing information on her various projects of the past many years.

Mrs. Reid said she informed Mr. Yates of the procedures required to complete activities such as processing RFPs. She offered to continue to help in an advisory role and create an instruction manual.

Mrs. Huss asked if email address changes have been completed so that information goes directly to Mr. Yates instead of Mrs. Reid.

Mrs. Reid said that she will begin informing organizations to contact Mr. Yates directly. She also stated that she will continue working on the LED sign until the city has a person in place to assume that responsibility.

Mrs. Brown said she was informed the City Secretary would be taking over those duties.

Mr. Yates stated that he had not spoken to the City Secretary about that, but the city would need a laptop.

Mrs. Reid informed the Board that she has all of the instructions and guidelines written down.

Mrs. Reid also stated the city has received a significant RFP which would be ideal for Summit Business Park. The project is with a foreign company looking to be located between I45 and I35.

BOARD INQUIRY

Mrs. Huss commented that the By-Law amendments did not get addressed by City Council or the City Attorney. These items were on the July minutes.

Mr. Yates asked if she was referring to the change of date for the annual meeting.

Mrs. Huss reminded Mr. Yates that the EDC requested the change of date for the annual meeting and the City Attorney to review the Code of Ethics for a possible update to comply with state regulations. She noted that the EDC can not actually change the By-Laws without consent of Council.

Mrs. Huss also pointed out the EDC should consider the possibility of moving forward on how the Board approves expenditures. She suggested the Board may want to consider all expenditures going through the Board in the future.

Mrs. Fox asked what was meant by all expenditures.

Mrs. Huss gave the example of a bill from Jones and Carter for \$1,500 for real estate listing information. The request was made to Jones and Carter without prior approval from the Board.

Mr. Yates said it was approved because that item fell under a line item in the budget.

Mrs. Huss stated that the overall budget goes to City Council for approval, but wondered if individual items should be automatically paid just because that item fits within the budget. She asked if the Board should approve all items or requests simply because they fit under a line item in the budget. She noted that, especially with a new employee, the Board should determine how expenditures are addressed.

Mr. Champagne asked if the new employee had to be under the day to day management of the city administrator.

Mrs. Huss responded she did not know because the new employee would not be a department head. She suggested that this item be put on the agenda for the September meeting.

Mr. Champagne stated this would be a question for the City Attorney.

Mrs. Huss responded it may be a question for the Board in terms of how the Board interfaces with the employee.

Mr. Champagne agreed.

ACTION ITEMS FROM AUGUST MEETING

<i>ACTION ITEM</i>	<i>ASSIGNEE</i>	<i>RESULT</i>
1,3,5-Year Action Items	Entire Board	Completed by Huss, Brown & Yates
Board Secretary to provide minutes	Hanover	Election of new Board Secretary
Employee Qualifications Draft	Brown, Champagne	Completed by Brown & Champagne
Festival Funding Criteria Suggestions	Huss, Kerr	Completed by Huss & Kerr
Marketing Material Backup	Reid	Completed by Reid

ACTION ITEMS FOR FUTURE MEETINGS

<i>ACTION ITEM</i>	<i>ASSIGNEE</i>	<i>DUE DATE</i>
Agenda Item: Festival Guidelines as an action item	Jack Yates	September Agenda
Agenda Item: New Employee Management	Jack Yates	September Agenda
Agenda Item: Expenditure Procedures	Jack Yates	September Agenda
Agenda Item: 1, 3, 5-Year Goals	Jack Yates	September Agenda
Agenda Item: Historic Society request for brochures	Jack Yates	Tabled until EDC has a marketing person
Agenda Item: Public Hearing for Budget	Jack Yates	September Agenda
Present By-Law Changes to City Council and City Attorney	Jack Yates	September City Council Agenda
Create a physical calendar for festivals	Becky Huss	September Board Meeting
Create guidelines for internal festivals	Huss and Kerr	September Board Meeting
Present final Job Description	Amy Brown	September Board Meeting
Inquire about moving festivals to Category III	Jack Yates	September Board Meeting
Post Job Opening	Jack Yates	Once received from Mrs. Brown
Sort 1,3 & 5 yr goals into four categories	Amy Brown	September Board Meeting

ADJOURNMENT

Motion by Mr. Fox, seconded by Mrs. Brown to adjourn the meeting at 7:39pm. All in favor. (5-0)

Submitted by: _____

Amy Brown, Secretary

Date Approved

MEDC GOALS

ONE YEAR

Aesthetic Improvements

- Master streetscape plan for Historic District
- Construction mitigation strategy committee with HMBA and downtown merchants

Tourism

- Review and create 2-3 new festivals/events
- Identification of major festival schedule
- Development of minor event/promotion ideas – downtown and with all city groups
- Set up tourism website and updated EDC page on the City's website

Infrastructure/Economics

- Increase sales tax revenue 5% through marketing/tourist position efforts
- Consider downtown financial assistance through front foot assessments/special district
- Generate income for marketing/tourism position by administering events/fundraisers
- Continue infrastructure support for prospective business/city support
- Research other tax abatement districts
 - Set physical parameters and goals of our district
 - Approach taxing entities

Accountability

- Annual review of tourism position and MEDC Board

THREE YEAR

Aesthetic Improvements

- Have 1/3 of the Master Streetscape Plan constructed/in place

Tourism

- Join Main Street program
- Get ingrained in promotion/tourism activities so there are steady customers downtown
- Develop and establish city brand as “Birthplace of the Texas Flag” through efforts such as marketing/public relations and streetscape.
- Full implementation of expanded festival schedule
- Cohesive marketing materials, updated tourism brochures
- Develop medium term marketing strategy based on assessment of our target markets
- Create a Visitor Center downtown

Infrastructure/Economics

- Increase sales tax revenue 5-10% each year based on promotion/tourism position generating sales throughout city
- Determine and have in place a financing mechanism for Historic District improvements/activities
- Help city in effort in pay-as-you-go financing of major capital improvements
- Full implementation of tax abatement district

Accountability

- Review effectiveness of tourism position and determine whether to redirect efforts in any way

FIVE YEAR

Aesthetic Improvements

- Complete Master Streetscape Plan
- Splash pad/dog park/another park
- Improve usage of parks

Tourism

- Acquire northern festivals facility
- Amphitheater – large festival area

Infrastructure/Economics

- Increase sales tax revenue 5-10% each year based on promotion/tourism position generating sales throughout city
- Identify and acquire “whale”
- Have adequate sales tax revenue and property tax growth so city can lower property taxes to low .3000's and still fund MEDC and City operations fully
- Downtown East
- South loop project to divert large trucks
- Improve drivability and walkability of all point of interest in town

Accountability

- Review effectiveness of tourism position and determine whether to redirect efforts in any way