

STATE OF TEXAS

COUNTY OF BRAZORIA

CITY OF FREEPORT

BE IT REMEMBERED that the Economic Development Corporation of the City of Freeport met in a regular meeting Thursday, October 30th, 2008, at the Freeport City Council chambers at 1211 Brazosport Boulevard for the purpose of considering the following agenda items.

Dan Tarver – President
Clan Cameron – Vice-President
Lila Diehl – Secretary
Gilbert Cuellar
William Rains
Bobby Jo Casale
Johnny McQuaig

OPEN MEETING

Dan Tarver opened the meeting at 6:00pm.

CONSIDER APPROVAL OF THE MINUTES OF THE 10/2/2008 MEETING

Motion to approve the minutes of the 2 October 2008 meeting was made by Johnny McQuaig and Seconded by Bill Rains. Motion carried unanimously.

CONSIDER APPROVAL OF THE MINUTES OF THE 10/16/2008 MEETING

Motion to approve the minutes of the 16 October 2008 meeting was made by Bill Rains and Seconded by Johnny McQuaig. Motion carried unanimously.

CITIZENS COMMENTS

Bobby Reed from Lake Jackson commented that he and a number of other investors had an interest in the City of Freeport and the Marina Project and that they wanted to see it finished. He reported that there was a lot of talk going around about whether the Marina Project was moving forward or not and it was discouraging to him and his co-investors.

Dave Alston commented that he was a small business owner from Lake Jackson in the Marine Electrical business and he also wanted the Marina Project to be completed.

Melanie Oldham again reported her concerns that the marina project was being impeded by Gore family interests and that she had personally contacted the Army Corp or Engineers to inquire about the approval of the Marina Wet Slip construction.

Wright Gore reported about his concerns for the length of the wet slips being a hazard to navigation. Mr. Gore said that he had agreed to meet with a group from the EDC, Corp of Engineers and Rene Damian from Damian and Associates to further explore the issue in an attempt to resolve the navigation concerns of Western Seafood.

CONSIDER MEETING DAYS FOR MONTH OF NOVEMBER 2008

Dan Tarver brought up that the fourth Thursday in November was Thanksgiving, and suggested that in an effort to keep momentum going for the Marina Project, that the Board meet again in the fourth week on another day other than Thursday. A motion was made to meet again on Monday, 24 November by Bill Rains and Seconded by Clan Cameron. Motion carried unanimously.

PRESENTATION BY BOB WELCH-CITY OF FREEPORT FINANCE DIRECTOR REGARDING EDC BUDGET AND MARINA EXPENDITURES

Bob Welch reported that there were several expenditures approved by the past EDC Board and Executive Director that he challenged classification. Mr. Welch suggested that a number of them were paid for with EDC funds when he thought they should be paid for by the Marina Construction budget and he asked for guidance from the EDC Board.

It was agreed by all board members that a meeting with a legal advisor to review the Marina contracts was needed before advising Mr. Welch as to how to classify the expenditures.

PRESENTATION BY WRIGHT GORE III REGARDING NAVIGATION ISSUES PERTAINING TO THE MARINA WET SLIP CONSTRUCTION

Mr. Gore again presented information to the EDC Board regarding his concerns about how far the wet slips extended into the navigation channel. He agreed to meet with an EDC subcommittee, Damian and Associates and possibly a representative of the Corp of Engineers to review the construction plans in an effort to remedy his concerns.

Mr. Elliott Cundief asked to speak and reported that the Gores had their chance to argue their point previously. He said the previous board agreed to reduce the previous wet slip design by 25ft over navigation concerns. He said that the end of the proposed piers in the current plan would be 100ft from the center of the navigation channel and that the distance between sides of the guillotine gate was only 50ft total. He suggested that a 100ft clearance in the channel by the wet slips should be sufficient.

Melanie Oldham again reported her concerns that the marina project was being impeded by Gore family and she assured the board that she had never met, nor was she an agent for Walker Royall, the Marina Developer.

Bobby Reed again spoke that he thought Wright Gore's efforts were negative, but that he believed the city had the right team on the EDC Board to resolve the situation and move the project forward.

CONSIDER OPTION FOR REPLACEMENT OF EXECUTIVE DIRECTOR

Dan Tarver said that he put this item on the agenda to allow a number of people in the community to come forward and speak about their interest in being the EDC Executive Director. The following people came forward and spoke: Tobey Davenport, Ed Garcia, Rex Maugans and Mary Stotler. Pinky Hartline said he was interested also, but was unable to be present due to medical reasons.

CONSIDER SELECTION OF LEGAL COUNSEL FOR EDC

A motion was made to table this item by Bill Rains and Seconded by Gilbert Cuellar. The motion carried unanimously.

ENGINEER'S REPORT

Rene Damian reported that electricity had still not been connected to the new Trico facility which inhibited further inside building completion and construction of the security fence around the site should start in about a week.

Mr. Damian also reported that he had contacted 6 Sprinkler System contractors seeking pricing and information but had only heard back from 3 of them and that he would in the near future be ready to go out for bids on the marina dry stack building fire suppression system.

BOARD OF DIRECTORS COMMENTS

Lila Diehl reported that she was speaking with Grocery Store companies in an effort to find a replacement for the Kroger store that closed after Hurricane Ike.

Bob Cassel suggested that good news was needed on the project for the public to maintain confidence and that the board was making good headway. He commended The Facts for doing an excellent job reporting on Freeport.

Bill Rains said that he thought an offer had been made by Kroger to purchase land next to the CVS Pharmacy to build a new Signature store, but that CVS had rejected the offer due to competition with the Kroger Pharmacy inside the proposed new store.

Gilbert Cuellar reported that he was proud to live in Freeport which has been his home for 30 years and that he thought the EDC was a good committee.

Clan Cameron reported that the EDC has some serious hurdles to overcome, but the EDC Board had done well in resolving 2 out of the 3 biggest problems they started out with. He said that some of the problems wouldn't be resolved right away, but that that he, as well as Mayor McDonald, were for the Marina Project, contrary to what others have said about them.

Johnny McQuaig commented that he thought Dan Tarver was doing a good job

Dan Tarver said that he was a little disappointed that the crowd that had earlier been at the meeting had dispersed somewhat, and that the good news the board had to deliver therefore would not be received by them. He said that future meetings would be rearranged to permit the Board Members to speak early in the meeting so their message would be heard before the audience thinned.

He also said that the board was proud of what they had accomplished in a short time. He said we live in a very divided community and that the Marina Project was not the least of the problems. Dan Tarver said he had a personal goal of eliminating the problems brought on by the use of Eminent Domain which was a big wedge issue in Freeport. He said that he spoke with the Marina Developer Walker Royall and reported that in a recent conversation Mr. Royall said he does not think Eminent Domain is a big wedge issue in Freeport. Mr. Tarver said that Mr. Royall is mistaken about that.

Mr. Tarver went on to say that it was sad to hear and see neighbors arguing with neighbors, but that some people are going to complain regardless of the circumstances.

He said that there are a lot of good people working very hard in Freeport to improve on our community and that they rarely get any kind of recognition.

He said he appreciated The Facts for their reporting on Freeport and commended the reporter Nathaniel Lukefahr who was in the audience, but he said that all the things written about Freeport were not controlled by Nathaniel.

Mr. Tarver finished by saying that the problems in Freeport were an uphill battle, but that the board was making valiant headway towards settling the wedge issues.

Bill Rains spoke again and reminded the audience that the budget for the marina was originally set in 2004, and that prices had gone up since that time.

Dan Tarver called the meeting into Executive Session at 8:04pm.

EXECUTIVE SESSION – SECTION 551.074

Deliberations concerning the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee or to hear a complaint or charge against an officer or employee, to-wit: Executive Director

EXECUTIVE SESSION – SECTION 551.072

Deliberations concerning the purchase, exchange, lease or value of real property when deliberation in an open meeting might have a detrimental affect on the position of the Board of Directors in negotiations with a third person, to-wit: Western Seafood

Executive session concluded at 8:56pm.

ACTION TO BE TAKEN AS A RESULT OF EXECUTIVE SESSION –SECTION 551.074

A motion was made by Clan Cameron and Seconded by Bill Rains to appoint Mr. Nat Hickey as Temporary Acting Marina Project Manager until a new EDC Executive Director could be obtained. It was understood that Mr. Hickey would assume this responsibility in addition to his other position with the City of Freeport as Property Manager. The motion carried unanimously.

ADJOURN

A motion to adjourn was made by Bill Rains and Seconded by Lila Diehl. The meeting was adjourned at 9:07pm by a unanimous vote.