



PASADENA ECONOMIC DEVELOPMENT CORPORATION

Pre-Board Meeting

Conducted via Zoom Meeting

April 22, 2021, 3:00 p.m.

Minutes

Members present:

Steve Cote, President
Rick Lord, Vice President
Emilio Carmona, Secretary
Marilyn Wilkins, Treasurer
Ernesto Paredes
Steve Phelps
Salvador Serrano, Jr.

Members Absent:

Others Present:

Jeff Moore, Brown & Hofmeister, LLP
Carlos Guzman, Pasadena EDC Executive Director
Rick Guerrero, Pasadena EDC Manager
Suzette McDowell, Pasadena EDC Marketing Manager
Karina Tomlinson, Assistant Secretary to PEDC Board

Call to order:

The Pre-Board meeting for the April 22, 2021 Pasadena Economic Development Corporation was called to order at 3:01p.m. by President Steve Cote.

Agenda Item Four: Board Actions - Resolutions

- 4b) Salvador Serrano stated that he is electing to abstain from vote on the Pasadena Loves Local Item because he is on the chamber board and is chair of the specific project. Carlos added comments about the contract and mentioned it's going to be a hybrid model and that we will be rolling this model out to other allies such as Economic Alliance and BAHEP. *Rick Lord mentioned that the amount on the contract is 50k and he asked if the contract would be redone.* Carlos responded that it's a 30k fixed and from the marketing dollars we will allocate 20k, but it will be for very specific as needed items. He stated this is what he means by hybrid model where there will be a fixed contract with a lower amount and specific as needed items or events with additional amounts that will not be charged to us if they don't happen.
- 4c) Salvador commented that he likes to see that people are taking advantage of the program. Steve Phelps, Rick Lord and Steve Cote also agreed. Steve Cote added that it's difficult for a public entity to try to get private investment dollars so he's happy to see businesses applying. Carlos showed the board some photos of current conditions.
- 4d) Steve Phelps asked Carlos to go over the bidding process. Carlos stated that this is something that has been talked about for a while and it's part of the Strategic Plan. It was put out for bids and we received one. Steve Phelps asked if the consultant determined it was a fair bid to

which Carlos responded yes. There were 7 contractors signed up for a pre-bid meeting and of the 7 only 1 submitted a bid for the project. Carlos informed the board that the consultant was on the line and available for any questions. Ernesto asked if this is something that we were already committed to or if we could delay considering the ongoing pandemic and the fact that some businesses are dealing with losses. Carlos explained that the funds for this project were allocated last year so this is not new money. Steve Cote added that this project is one that will ultimately be done, that there are construction companies that have been working throughout the pandemic it's not a bad idea to move some projects along if they were already planned prior to everything. Carlos added that if it is delayed that more than likely the price tag will go up. Ernesto asked if we are prepared to respond to the backlash we are going to get because most people will not understand that we have money budgeted and put aside. He feels people might ask why all this money is being spent on a sign instead of on businesses that need help. Steve agreed that either Carlos or himself will have to respond to in regard to any concerns from the public. He added the other side of the coin is that we allocated a couple hundred thousand dollars for businesses and paid out most of it to help out. If there's more demand he feels the Board would definitely circle back and see how to continue to help the business community. He just doesn't see why the need to hold up other projects because they take so long to get through the process. Marilyn asked if any feedback was received from the other 6 bidders that attended the pre-bid meeting as to why they didn't submit a bid. Bryan Jahnsen of Freese & Nichols who consulted on the project was on the line to answer. He stated that this project is an outlier in terms of it's not just a masonry project, or just a sign project. There are some TXDot storm drainage infrastructure that has to be replaced as a part of this. There is a lot of divergent trades that have to come together. 2 of the 7 bidders; one was a signage fabricator, the other was the presumptive successful bidder and they came together. The signage company is going to manufacture all the letter forms and the Texas icon for the general contractor. The only other feedback was that it was not the right fit for a masonry contractor. The Board thanked him for the information. Emilio asked if this is the right price compared to other signs similar to it because he feels it's a lot of money for a sign. Steve Cote asked what the cost of the sign on Fairmont to which Bryan answered it was right around 100k. He added that the bidder's number came in within 2k of the estimate the consultant had calculated. He added it's a rather significant monument in terms of it's scale that doesn't translate that way on the particular page being shown. There is a significant foundation and we are cleaning up some of the overhead electrical that runs across the 225 service project and burying it. There is a lot of unseen costs that go into this project beyond the signage aspect, but it's going to be a nice entry into the City. Marilyn added that if the money is already allocated she doesn't think it can be redirected to anything else and if all the work has been done and the bidder has submitted a fair bid she can understand Ernesto's point and that we can always spend money that is more directly citizen sensitive. She feels this project is in line with the Board's image objectives for the EDC. Carlos added that this is coming directly from the Strategic Plan and that is why Staff is pursuing this. Steve Cote stated that he agrees, but feels that it aligns perfectly with the Strategic Plan and a big initiative of the EDC is to brand and market and create an image for the City of Pasadena. He added that if it falls in line with what the estimate should be and it is tabled it will be more expensive down the road because construction is not getting any cheaper. Bryan added that the bids could only be held for a set amount of days, which is in the instructions to bidder. If the Board decides to table this it will probably need to go out to bid again because the contractor will not hold that dollar firm indefinitely. Marilyn added that if the result of the vote on the item would be to have it re-bid that she would be abstaining from vote. Jeff clarified that she could vote to approve the item because the contract was not with her business, to which Marilyn stated that she just wanted to be clear that if the item was not passed and had to be re-bid she would not be voting because she owns a sign company that could be part of the re-bid process.

Agenda Item 5: Report by Executive Director

FY22 Budget: The budget office has given a conservative estimate of \$10.2M that will likely improve as things start to turn around. Last year was a little over \$11M. Our fund balance is also estimated to be \$20M. The 3 major initiatives are Redevelopment, Business Development and Marketing. At this moment Carlos lost internet connection and Steve Cote decided to go ahead and have this report given during the regular board meeting instead.

Pre-board meeting adjourned at 3:22 pm.

PASADENA ECONOMIC DEVELOPMENT CORPORATION
Board Meeting
Conducted via Zoom Meeting
April 22, 2021, 3:23 p.m.
Minutes

Agenda Item One: Call to order

The Board meeting on April 22, 2021 for Pasadena Economic Development Corporation was called to order at 3:23 pm by President, Steve Cote

Agenda Item Two: Public Comments

No public comments made by attendees.

Agenda Item Three: Approval of Minutes

Board President, Steve Cote called for a motion to approve the minutes from the meeting held on March 25, 2021. Steve Phelps moved to approve the minutes seconded by Rick Lord, MOTION CARRIED UNANIMOUS.

Agenda Item Four: Board Actions - Resolutions

- a. **PEDC RESOLUTION 21-012** – Consideration to accept the Financial Report of Investment Activities for the Fiscal Quarter ended March 31, 2021.

Ernesto Paredes made a motion to approve, seconded by Salvador Serrano, Jr. that PEDC Resolution 21-012 be passed, approved and adopted. MOTION CARRIED UNANIMOUS.

- b. **PEDC RESOLUTION 21-013** – Consideration to authorize Staff to negotiate and execute an agreement with the Pasadena Chamber of Commerce to promote, engage and support the Pasadena Loves Local initiative in the amount of \$30,000.00.

Steve Phelps made a motion to approve, seconded by Rick Lord that PEDC Resolution 21-013 be passed, approved and adopted. MOTION CARRIED.

- Salvador Serrano, Jr. abstained from vote on this item.

- c. **PEDC RESOLUTION 21-014** – Consideration to authorize Staff to take all appropriate action on a Business Enhancement Program application filed by James Richards of JR Enterprises at the 1520 Richey Street project location for exterior improvements in the amount of \$20,000.00.

Steve Phelps made a motion to approve, seconded by Rick Lord that PEDC Resolution 21-014, be passed, approved and adopted. MOTION CARRIED UNANIMOUS.

- d. **PEDC RESOLUTION 21-015** – Consideration to authorize Staff to negotiate and execute an agreement with Johnson Fence and Masonry, LLC for construction of a gateway monument sign at SH 225 and Richey St. in the amount of \$387,320.00. (CIP# S144)

Rick Lord made a motion to approve, seconded by Salvador Serrano, Jr. that PEDC Resolution 21-015 be passed, approved and adopted. MOTION CARRIED UNANIMOUS.

- Rick Lord stated that when we put out a proposal we need to stand by it. If we knew then that everything is in order, then we need to proceed. To stop and start like it used to be done before is not good business and it doesn't give businesses confidence in us. A decision was made to do this and we need to move forward. He added that he is a firm believer in opening up the communities. Get the shots, wear your masks, and open. *Emilio Carmona added that he agrees that we should stay true to our word, but in his opinion, he feels this price is too high. He feels it should go out for re-bids.*
- Rick asked if the price is because of the location and the TXDot rules that need to be followed. *Bryan stated that there is no comparison between the Fairmont one and this one. Fairmont is on a median roadway, this is on a state highway where vehicles are travelling at a much higher rate of speed and to make it effective it has to be larger. This project is much more grand in terms of scale. There weren't any lighted components to the Fairmont project where this one has backlit signage and a custom made Texas icon that will be lit. It's much more sophisticated.*
- Steve Cote added that he made an error by asking the cost of the Fairmont project because it's not an apples to apples comparison. It's a much bigger sign in a different location needing a lot more work to be done in order to establish it. He also added that this is the true gateway to enter into Pasadena. The logo was redone and we want to set a precedence. The money was allocated. This is a big City and this is part of the Strategic Plan and he's okay with it. He wants to make bigger signs, but he also understands that it's a challenging time for lots of people.
- Steve Phelps added that he called Carlos with many of the same questions and he will support it primarily because of the location and the impact it has.
- Emilio asked if we are going to spend \$380k or more every time we make a sign. He feels bidders will know that we are willing to spend on a sign and ask for more. Steve C. responded that at this time there is no plans to make more signs for the City.
- Steve Phelps asked Bryan to run through the breakdown of cost of electrical and TX dot drainage requirements. *Bryan provided additional detail regarding items that are not necessarily seen, but add costs to execution of the project. For example required traffic control, site drainage, electrical work to get rid of overhead lines and re-landscaping. Marilyn added that just the foundation that is not visible is a significant cost under the dirt.*

Agenda Item Five: Report by Carlos Guzman, Executive Director

Carlos continued with his presentation beginning with the 3 initiatives we are focused on for FY 22 budget. Redevelopment quality of life projects, major corridors and catalyst projects from the Strategic Plan. Business development major projects in the industrial district with a focus on small business as evidenced by the contract the Board just approved. Other infrastructure needs in the industrial district such as water pressure. For marketing, we're looking at the Pasadena Loves Local 2.0. He showed a slide with planned redevelopment initiatives for late this fiscal year or early next fiscal year with Shaw improvements and Richey Street Area as well. He stated next month he will put together some preliminary numbers, in June it will be brought to the board for approval and it will go to council for consideration in July. He began the redevelopment update by showing a video put together by the City's Channel with interviews of mural artist Amol Saraf and Redevelopment Manager Sheena. Carlos stated that 3 are completed and 3 are about to start. He continued the update with concurrent projects, ROW improvements and complete streets program. He stated that the Shaw Avenue project is ready to go out for bids in May. He next went over the quality of life project for the Vince Bayou Greenway Study. There has been such great feedback that there is an additional public meeting and they expect to complete the study very soon after. He continued with a review of items coming to the Board in the coming months. In June/July the Shaw Enhancements; August the Richey Phase II ROW improvements and in October the trails. For the convention center update, he stated it is all going to be completed in time for Strawberry Festival and he showed the board some pictures of the improvements that are being done. Last, he went through

upcoming events including a small business development google workshop fully in Spanish. The Greater Houston Partnership is also having a hybrid series of events for International Business Month and if any board member is interested they should let us know. The PEDC will be receiving a beautification award for the improvements to Richey Street from the Chamber on May 26th at 10am. Finally, the next board meeting is on May 27th.

Agenda Item Six: Comments by Board Members

Ernesto Paredes – Congratulated Carlos and staff for the efforts being made for the benefit of the City. The concern he had he wanted to put it out there to start a discussion that he feels went well. He wanted to make sure they didn't just vote without having a discussion. He said everyone presented a good defense on why the amount is being spent and thanked everyone for that.

Salvador Serrano, Jr. – Stated he's excited about all the projects especially with the commitment with the Pasadena Chamber for Pasadena Loves Local. Supporting small businesses is going to create economic growth in our area and shows other cities that we stick together in hard times. He wished all the mother's a Happy Mother's day and reminded all the board members not to forget!

Steve Phelps – He stated he appreciates the discussion that was had today. He's excited about the Business Enhancement Program and working together with the Chamber.

Rick Lord – Appreciates everything being done on the North side of Pasadena with the sign and the murals. He hopes to keep it going, despite the money that it takes to make those kind of improvements.

Marilyn Wilkins – She stated that as the months go by and we get closer to putting ink on paper to get projects moving she's starting to get a vision for the transformed North end of town that will benefit businesses and citizens. She feels good about the direction that things are going.

Emilio Carmona – Passed with no comments.

Steve Cote – Thanked Emilio for the discussion and stated that his concerns and heart are in the right place. He thanked everyone for the great meeting and stated he's excited about things on docket and things that are starting to show. He's looking forward to all of the things still left to do and that are coming up.

Agenda Item Seven: Executive Session

****NOTE** 3:54 PM** – At this time, President Steve Cote announced that the Board will be going into a separate Zoom meeting for an Executive Session and will return to the meeting upon conclusion to adjourn.

- a. Convene in executive session pursuant to Section 551.087, Texas Government Code to deliberate regarding economic development negotiations for Business Attraction/Retention Projects.
- b. Convene in executive session pursuant to Section 551.072 and 551.087, Texas Government Code to deliberate the purchase, exchange, lease or value of real property and to deliberate regarding economic development incentives – Project #2002.

Agenda Item Eight: Reconvene into Regular Session

****NOTE** 4:37 PM** – At this time, President Steve Cote reconvened the Regular Board Meeting.

The Board will reconvene into Regular Session, pursuant to the provisions of Chapter 551 of the Texas Government Code, to take any action necessary regarding:

- a. Deliberation regarding economic development negotiations for Business Attraction/Retention Projects.
 - No deliberation
- b. Deliberation regarding real property – Project #2002.

Agenda Item Nine: Adjournment

President, Steve Cote called for a motion to adjourn the April 22, 2021 meeting at 4:40 pm. Rick Lord moved, seconded by Emilio Carmona. MOTION CARRIED UNANIMOUS.