

**CITY OF HONDO  
ECONOMIC DEVELOPMENT CORPORATION  
BOARD OF DIRECTORS MEETING  
MINUTES  
NOVEMBER 9, 2006  
6:00 P.M.**

The City of Hondo Economic Development Corporation Board of Directors (CoHEDC) met on the 9<sup>th</sup> day of November, 2006, at 6:00 p.m. in the City Council Chambers, City Hall, 1600 Avenue M, Hondo, Texas.

Present: Board Members Arturo Dominguez, Jr., President, Ann-Michelle Long, Secretary, Keith Lutz, Kevin Christiansen, and Aniceto Colunga

City Staff: Robert T. Herrera, City Manager, Debbie Sills, City Treasurer, Beatrice Cervantez, City Secretary and Tim Fousse, Airport Manager

Guests: Mayor James W. Danner, Judy Winkler and Beverly Gruber

Absent: Board Members James Garcia and Eric Torres

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

**3. APPROVAL OF MINUTES**

Motion was made by Aniceto Colunga, seconded by Ann-Michelle Long, to approve the minutes of the July 5, 2006 meeting, as written. Motion carried: 5 Ayes; 0 Nays.

**4. REVIEW OF COHEDC FINANCIAL REPORT.**

Debbie Sills, City Treasurer, presented the 2006/2007 financial report.

**5. CONSIDER APPROVAL OF A FUNDS DISBURSEMENT AGREEMENT BETWEEN THE CITY OF HONDO 4B ECONOMIC DEVELOPMENT CORPORATION AND THE HONDO HOSPITAL AUTHORITY.**

Robert T. Herrera, City Manager, said Bond Counsel Clay Binford had prepared the proposed agreement which had been forwarded to, and approved by, the Hospital Board. The agreement was executed by Hospital Board President Rita Vance on behalf of the Board.

Mr. Herrera said that by executing this agreement, the CoHEDC would be eligible to contribute funds towards the hospital construction project. He said the agreement addresses any concerns previously expressed by this Board. The agreement will require quarterly reporting of expenses for projects. Mr. Herrera said that if any funds should remain, they must be returned to the 4B Corporation. Staff recommended approval of the agreement. President Dominguez read Section 4, Certifications of the Corporation, of the agreement to the Board in order to summarize the intent of the proposed agreement.

Motion was made by Aniceto Colunga, seconded by Keith Lutz, to approve the Funds Disbursement Agreement between the City of Hondo 4B Economic Development Corporation and the Hondo Hospital Authority. Motion carried: 5 Ayes; 0 Nays.

**6. PRESENTATION OF “CHECK” IN THE AMOUNT OF \$100,000 BY COHEDC BOARD MEMBERS TO MEMBERS OF THE MEDINA COMMUNITY HOSPITAL BOARD.**

The CoHEDC Board presented a mock check to Hospital Board member Judy Winkler and Administrator Beverly Gruber who thanked the CoHEDC for their support.

**7. PRESENTATION OF HONDO MUNICIPAL AIRPORT PROJECTS BY TIM FOUSSE, AIRPORT MANAGER/EMERGENCY MANAGEMENT COORDINATOR**

President Dominguez introduced Tim Fousse, Airport Manager. Mr. Fousse presented a detailed report regarding the Hondo Municipal Airport’s history, current operation, and potential for marketing and expansion. As to the suggestion by Mr. Fousse to close runways which are not being utilized, Aniceto Colunga said he would like to keep at least one more runway. He said he has heard many compliments about the airport with the number of runways available. Mr. Fousse said he was told that Hondo is a one-runway airport, but he would like to have at least three. He said Runway 826 needs to be replaced if the City keeps it. Keith Lutz suggested maybe reactivating it at a later date when the need arises.

President Dominguez asked how this Board can help. Mr. Herrera said he would be coming back to the Board to discuss infrastructure needs for development projects. He said the goal is to create new jobs. After the consultant completes his report, staff will come back and make a request to the CoHEDC.

Keith Lutz asked if they could eventually add runways if needed. Mr. Fousse said Runway 826 will remain there and if it is needed in the future, it could be utilized. Mr. Lutz suggested leaving enough room for additional runways. Kevin Christiansen inquired about a marketing plan. Mr. Fousse said staff will work with the CoHEDC Board on a plan. However, on the aviation side, he said staff plans to run advertisements in various aviation circulars and newspapers to market the airport. Mr. Fousse discussed timelines for completing the FBO terminal.

Mr. Christiansen asked how Hondo’s Airport compares to Castroville’s. Mr. Fousse discussed small changes he would like to make. He said Hondo can build a larger Airport. Mr. Fousse said he believes the City can get a nice building built to turn the Hondo Airport into a top notch facility.

**8. CITY MANAGER’S REPORT**

Mr. Herrera presented a 27-month history of the City sales and use tax revenues. He also presented a comparison of 2004 to September 2005 and September 2006. Mr. Herrera said he was trying to get input on the new Wal-Mart, but did have a full picture. He said it should be available soon. There is a 60-day lag period in the reporting. Mr. Herrera said he would send an update to the Board next month. He pointed out that the report shows consistency and growth in sales tax revenues.

Mr. Herrera said South Texas Liquid Terminal (STLT) has been operating in Hondo for two weeks and has provided additional jobs. They have hired six employees from Hondo. They relocated to Hondo and their personnel followed. Half of them are buying homes in Hondo. STLT employs a total of 29 people. Mr. Herrera said there is an opportunity to bring STLT to a future Board meeting. He said he believes this Board would enjoy hearing what the benefits are with rail services in Hondo. STLT previously made a presentation to Council during one of their workshops.

President Dominguez asked if there is anything the CoHEDC can do. Mr. Herrera said STLT is doing fine. He added that most companies are not looking for tax incentives. They are instead looking for properties and incentives to relocate. Mr. Herrera said the San Antonio Economic Development has been marketing the Hondo Airport on the City's behalf. He said it took them a while to get this attention. Mr. Herrera said he has had conversations with different agencies and companies interested in Hondo. He said the City may not have to spend much on marketing as word of mouth is quite effective.

There being no further business to come before this Board, motion was made by Aniceto Colunga, seconded by Kevin Christiansen, to adjourn the meeting at 7:21 p.m. Motion carried: 5 Ayes; 0 Nays.

PASSED AND APPROVED ON THE 7<sup>TH</sup> DAY OF AUGUST, 2007.

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ARTURO DOMINGUEZ, JR.  
PRESIDENT

**ATTEST:**

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ANN-MICHELLE LONG, SECRETARY

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YOLANDA C. BENITEZ, CITY SECRETARY