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REGULAR AGENDA MEETING

LULING ECONOMIC DEVELOPMENT CORPORATION

WEDNESDAY, JULY 22nd, 2026
5:30 P.M.

LULING ECONOMIC DEVELOPMENT CORPORATION BUILDING
201 S. LAUREL AVE. | LULING, TEXAS 78648

CALL TO ORDER

1. Roll call and recognition visitors.

   Board Members Present: CJ Watts, Preston Moses, Linda Mercer, Jamie Nickells, Gilbert Guerrero, Eddie Moses, David Smith.

   Others present: Christina (Ari) Arias, Mark McLaughlin Jessica Dersen, Karen Bell and Karen Sphar.

PUBLIC COMMENTS

2. This time is set aside for any person who wishes to address the Board. Presentations should be limited to no more than 3 minutes. The presiding officer will call on those persons who have signed up to speak.

   No public comments.

INVOCATION

3. Opening prayer.

   Ari opened the meeting with prayer.

MINUTES

4. Approval of minutes of the board of directors regular meeting held on Wednesday, June 24th, 2026 at 5:30 p.m.

Jamie Nickells motioned to approve Minutes from the June 24th, 2026 meeting, seconded by Eddie Moses. All approved.

FINANCIAL REPORT

5. Approval of financial report for July 22nd, 2026 regular monthly meeting.
   a. Update on Bovey and Cochran legal rates.
   b. Update on quarter one investment meeting.

Ari provided a year-to-date budget update through end of June financials. Sales tax report represented through July 2026. Eddie Moses asked if the EDC has hired janitorial services and Mark commented that the City of Luling will be posting the position. Ari further commented that the expenditures in the negative were due to unaccounted expenses including a recent retail incentive, garbage service in the new building, and lease expenses for a past job fair. Jamie provided a summary of the Investment Committee Report which recapped the current EDC investments including transitioning funds to a high-yield savings account. Linda asked if the Investment Committee can also include market rates in the report for future board meetings. Ari provided an overview of the Bovey and Cochran legal rates adjustment. CJ Watts and Jamie commented on how positive and responsive their experience has been with Bovey and Cochran since 2021.

Motion to approve the Financial Report and updates by Preston Moses and seconded by David Smith. All approved.

EXECUTIVE DIRECTOR REPORT

Discussion regarding ongoing economic development activities, business recruitment and retention efforts, workforce development initiatives, project updates, financial and administrative matters, marketing activities, grant opportunities, partnerships, and upcoming events. No action will be taken.

Ari provided an update on the upcoming CTE Advisory Committee with Luling ISD and a recent visit with Quantum Engineering. No action taken.

DISCUSSION AND/OR ACTION

6. Discussion and possible action regarding the approval of an agreement for engineering services to be provided to the LEDC on a retainer basis.

A motion to approve an engineering service on retainer basis for Luling EDC by Jamie Nickells and seconded by Preston Moses. All approved.

7. Discussion and possible action regarding an amendment to the LEDC budget to adjust appropriations for contractual obligations associated with the Boys & Girls Club of South-Central Texas Performance Agreement.

   Ari provided an overview that the agreement with Boys and Girls Club of South-Central Texas would require a $50,000 budget amendment since the original agreement was signed in the previous fiscal year.

   A motion to approve $50,000 to the current fiscal year was made by Linda Mercer and seconded by Gilbert Guerrero. All approved.

8. Discussion and possible action regarding amendment to the LEDC budget to adjust contingent appropriations line item associated with Luling Oil Museum project and other projects.

   Ari provided an update to the EDC board that there were funds not encumbered when the EDC transitioned to the new financial system. Ari requested that Property Development funds for $750,000.00 approved during the budget workshop for FY27 be reflected in that line item. Additionally, Ari requested $100,000.00 be added to Contingent Appropriations line item for the Mackey Community Project with the Luling Area Oil Museum

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   Eddie Moses motioned to approve budget amendment of $750,000.00 to Property Development line item and approve budget amendment for the Luling Oil Museum project for $100,000.00. Gilbert Guerrero seconded the motion. All approved.

9. Discussion and possible action regarding the Retail Incentive Loan Program, including establishment of annual program funding limits, budget allocations, policy revisions, and any necessary budget amendments.

   Ari recommended that the EDC board provide a financial cap and limitations to future Retail and Incentive Loan requests including fiscal year adjustments to the budget and updating the current guidelines. The board suggested to include a "tiered ladder" approach for businesses to apply for different levels of funding which would request a waiting period for businesses to apply for the funding incentive.

   Preston Moses motioned to amend the budget to set a $100,000 budget adjustment for FY 26-27 for the Retail & Incentives Budget. David Smith seconded the motion. All approved.

Preston Moses motioned to adjust the guidelines to reflect a one-year waiting period for businesses to reapply for Retail & Service Incentive if the funding is less than $9,999 and a two-year waiting period to reapply if the funding is between $10,000-$25,000 with a $25k cap with exceptions on a case by case basis. Linda Mercer seconded the motion. All agreed.

10. Discussion and possible action regarding renewal and/or amendment of the professional services agreement with The Retail Coach, including scope of services, compensation, and related economic development initiatives.

    Jaime Nickells motioned to approve the renewal of The Retail Coach agreement for $25,000 and David Smith seconded the motion. All approved.

11. Discussion and possible action regarding approval of the annual membership dues payment for the LEDC membership with the Luling Chamber of Commerce.

    A motion to approve the annual member due of $150 to the Luling Chamber of Commerce by Jamie Nickells and seconded by Eddie Moses. All approved.

12. Discussion and possible action regarding administration, banking relationships, account management, and financial oversight of the LEDC Revolving Loan Fund.

    Linda Mercer motioned to approve LEDC staff to research best practices and to explore financial institutions who may be willing to offer a Revolving Loan Fund program with LEDC for future incentives. Eddie Moses seconded the motion. All approved.

13. Executive Session: Pursuant to Texas Government Code §551.087, to discuss commercial and financial information received from a business prospect and to deliberate the offer of financial or other incentives related to economic development negotiations (Project Pickle).

    Recessed into executive session at 6:23 p.m.

14. *Reconvened into Open Session at 6:52 p.m.* – Discussion and take any action necessary as a result of Executive Session deliberations regarding Project Pickle and related economic development negotiations.

    No action was taken.

15. Executive Session: Pursuant to Texas Government Code §§551.071 (Consultation with Attorney) and 551.087 (Economic Development Negotiations), discussion regarding the X-Bow Systems Economic Development Agreement, including review of contractual

obligations, performance requirements, financing matters, and potential amendments to the agreement.

Recessed into executive session at 7:17 p.m.

16. *Reconvened into Open Session at 7:43 p.m.* – Discussion and possible action regarding X-Bow Systems and related economic development, financing, contractual, and real property matters.

17. Executive Session: Pursuant to Texas Government Code §551.087 to discuss commercial and financial information received from a business prospect and to deliberate the offer of financial or other incentives related to economic development negotiations (Project Longhorn).
    a. Recessed into executive session at *7:44 p.m.*

    Jamie Nickells motioned to authorize Ari to reject the incentive request and offer alternative incentive programs instead; Linda Mercer seconded the motion. All approved.

18. *Reconvened into Open Session at 7:56 p.m.* – Discussion and take any action necessary as a result of Executive Session deliberations regarding Project Longhorn and related economic development negotiations.

    Gilbert Guerrero motioned to reject the proposed subordination agreement; David Smith seconded the motion. All approved.

INFORMATION FROM THE BOARD

Board members may offer comments, ask questions, or propose topics for future agenda items. No formal action will be taken during this portion of the meeting.

ADJOURN

A motion to adjourn the meeting was made by David Smith and seconded by Jamie Nickells. All approved

Meeting adjourned at 7:58 pm.

At any time during the meeting, the Board may adjourn into an Executive Session, as needed, on any item listed on the agenda for which state law authorizes Executive Session to be held including Sections 551.071, 551.072, 551.073, 551.074, 551.075, 551.076, of Chapter 551 of the Government Code of the State of Texas.

POSTED THIS 16TH DAY OF JULY, 2026 AT 10:30 A.M.

Christina “Ari” Arias