



STATE OF TEXAS
COUNTY OF FORT BEND
STATE OF TEXAS

The Ethics and Compliance Board of the City of Richmond, Texas held a Meeting on July 11, 2019 at 6:00 p.m.

Sylvia Smith, Vice Chairperson proceeded to call the meeting to order at 6:00 p.m. A quorum was present, with the following members in attendance:

Dana C. Atkinson
Oralia Lopez
Sylvia L. Smith – Vice Chairperson
Nina M. Schaefer
Wolfram Von-Maszewski
Alternate Position - Vacant
Frank Garza – Davidson Troilo Ream & Garza, P.C.
Terri Vela – City Manager
Gary Smith – City Attorney

Agenda item A2, Public Comments. There were no individuals signed up for comments therefore the agenda item was closed.

Agenda item A3, Review and consider taking action to approve the minutes of the meetings held on June 6, 2019. Vice-Chairperson Sylvia Smith presented the minutes for approval. Board member Nina Schaefer made the motion to approve the minutes for June 6, 2019. Board member Wolfram Von-Maszewski seconded the motion and the vote was unanimous to approve.

Agenda item A4, Consider electing a chairperson. Vice Chairperson Smith stated that Chairperson Jimmy Robertson had resigned (June 12, 2019) and she would appreciate nominations for the Chairperson position. Board Member Schaefer expressed an interest in serving therefore, Vice Chairperson Smith nominated Nina Schaefer as Chairperson of the Ethics Board. Board Member Von-Maszewski seconded the motion and the vote was unanimous to approve. Nina Schaefer assumed the role of Chairperson of the Ethics and Compliance Board for the remainder of the meeting.

Agenda item A5, Conduct informal hearing of complaint #1 filed by Josh Lockhart on May 16, 2019, against Mayor Evalyn Moore.

- Complainant Lockhart spoke regarding his filing stating he has witnesses to back up his claim that Mayor Moore ordered City Manager Terri Vela to remove the agenda item regarding insurance from the agenda. Lockhart declared that Mayor Moore admitted that she ordered the removal of the item at the offsite meeting in Bryan, TX on 01.10.19. Lockhart affirmed that he "lost it" when he felt the Mayor lied under oath at the last meeting where he considered she "perjured" herself.
- Frank Garza, Attorney inquired of Lockhart if the letter on 06.06.19 was a supplement to the filings of 05.16.19 and 05.03.19. Lockhart stated it was additional information. Garza suggested combining agenda items A5 and A7 for discussion and ruling.
- Vice Chairperson Smith made the motion to combine Agenda item A5 and A7 for purposes of discussion and ruling. Board Member Von-Maszewski seconded the motion and the vote was unanimous to approve the combining of the items.
- City Manager Vela stated per the Rules of Commission, the Mayor working with the City Manager can clearly take things off the agenda. Board Member Atkinson stated there is conflicting language between the Rules of Commission and the Charter.
- Answers to questions:
 - 1) City Manager Vela executed the contract with McDonald/Wessendorff
 - 2) The budget was approved by the City Commission
 - 3) City Manager Vela explained to the board how the broker and carrier relationship operate. The City did an RFP to change brokers. The timing did not allow time to change carriers. The city has had many problems with the company that was brought in to migrate over to a new carrier of policies that have been in place for 20+ years.
- City Manager Vela was questioned whether the Mayor asked her to remove the item from the agenda. Vela replied, "yes, she forbid me from placing it on the agenda".
- The Board was faced with a "he said/she said" situation with no witness to the conversation.
- Commissioner Beard was called for questioning and stated he did not recall what was said at the workshop held in Bryan.

- Commissioner Gaul was called for questioning and stated his recollection was the Mayor may have broken some of the rules in the past but doesn't remember that specific item being said.
- City Attorney Gary Smith was called upon and it was determined it would not be appropriate for him to testify.

Vice-Chairperson Sylvia Smith made the motion that based on the testimony of Mayor Moore, Barry Beard, Terri Vela, and Terry Gaul, there is insufficient evidence in favor of Mr. Lockhart's complaint and recommend dismissal of Agenda items A5 and A7. Board Member Wolfram Von-Maszewski seconded the motion and the vote was unanimous to approve.

Agenda item A6, Conduct informal hearing of complaint #2 filed by Josh Lockhart on **May 16, 2019** and filed by Tres Davis on **May 16, 2019**, against Commissioner Barry Beard. Attorney Frank Garza stated that the two complaints contained similar fact situations therefore they have been combined into one item.

- The 293.2 does not apply because the Development Corporation is not a non-profit organization. It is a government entity, not a 501c.
- Attorney Garza identified that allegation as 293.3 being if a personal benefit was received as a City Commissioner or Director of DCR. The Board must look at both complaints, City and State Code violations. In fairness, the Board must hear from Beard and both complainants
- Lockhart was asked to describe his relationship with Ms. Smith, the previous owner of the Calhoun property. He boarded up her windows on Christmas Day at her business, M&M Creole. Lockhart stated originally, "The City embraced Ms. Smith and her business and then put the screws to her". In the beginning, Lockhart stated, "that an employee told him (Lockhart) that the employee was asked by Beard to look at a drainage issue for a piece of property he (Beard) was purchasing". Lockhart felt this was inappropriate. Lockhart believes that Beard misrepresented himself to Ms. Smith in the purchasing of the property and took advantage of a single black woman.
- Davis stated that Beard using his position for monetary gain is a violation of both City and State code. He presented emails that were from Economic Director Goodman to Ms. Smith indicating there was an interest in her property on Calhoun Street. However the email did not state who was interested. An email to Ty Coburn (Beard business partner) was presented that inquired if he was

interested in applying for a grant and the reply was yes. No grant application was ever made.

- Melanie Perkins Smith clarified that her name is Ms. Smith. Ms. Smith stated she looked at various options, went to the state for a historic marker, met with Rob Tobias (Previous EDC Director) who suggested grants, met with the SBA, and called on Beard based on his position on Economic Development. The current EDC Director Goodman suggested a Historic Preservation Grant. She met with Beard to discuss the property at which he told her he could not "negotiate the price". She agreed to the selling price and was not coerced when asked by the Board.
- Mr. Beard stated that Ms. Smith fed lots of people during the Memorial Day Flood event and he told Mr. Tobias, "We need to help this lady". He feels a little perplexed and disappointed with what has happened. He gave a brief history of his relationship with Ty Coburn and the change in ownerships but assured the Board that Ty Coburn and he are joint owners in the property at 50% each. Their plans are to keep the building in its original state as much as possible. They are looking for an operator. As far as the grant, no applications have been made at this point but may look at it in the future. At this time, not looking for a financial gain. Only wanted to preserve the building.
- At this point Attorney Garza reviewed the options of the Board which were: does the Board have sufficient evidence, lack of evidence or need additional information.
- Mr. Beard asked the Board to make a decision or come to a conclusion because of the emotional toll it is taking on himself and his wife. However, they did not reach a decision. It was determined that they need additional information.
- The item was not resolved.

Agenda item A7, Conduct preliminary hearing on complaint filed by Josh Lockhart on June 6, 2019, on Mayor Evalyn Moore including whether the Board has jurisdiction over the violations alleged and whether to schedule an informal hearing. **This agenda item was combined and ruled upon with agenda item A5.**

Agenda item A8, Set Future Meeting date (s). The next Ethics and Compliance Board meeting was set for Thursday, August 1, 2019 at 6:00 p.m.

Agenda item A9, Discuss Future agenda items. There were no suggestions for future agenda items.

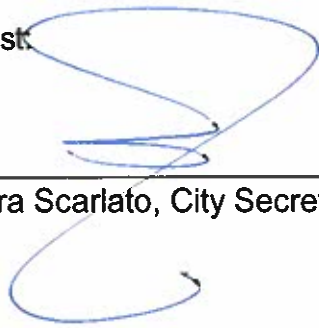
Agenda item A10, Adjournment. Board Member Atkinson made the motion to adjourn and Board Member Von-Maszewski seconded the motion. The vote was unanimous and the meeting was adjourned at 9:06 p.m.

APPROVED:



Nina Schaefer, Chairperson

Attest:



Laura Scarlato, City Secretary