

MINUTES OF MEETING OF RIO TECH FUND BOARD OF DIRECTORS

Board Room, Rio Grande Valley Partnership

322 South Missouri, Weslaco, Texas

12:30 p.m. Friday, November 21, 2008

Board Members Participating:

Eva-Jean Radle, Re/Max RGV, McAllen, Board President
Hector Ramos, South Texas Monitoring Systems, McAllen
Gregg McCumber, CPA, Burton, McCumber & Cortez, L.L.P., Brownsville
Sam O. Olivarez, Barrera's Supply Co., Inc., Mission

Board Members Absent:

Tony Aguirre, Broadway Hardware, McAllen
Derrick Swanberg, Swanberg Farms Partnership, Lyford
Ed Tamayo, First Community Bank (retired), Harlingen

Staff Participating:

Fernando González, Rio Tech Fund Executive Director
Samantha Garcia, Rio Tech Fund Director of Investment Services

Guest Participating:

Rick Ledesma, Member of ETF Advisory Committee & CEO of Datalogic, Harlingen
Pablo Rhi-Perez, Ph.D., Professor of Marketing at the University of Texas at Brownsville

Quorum was met with the four Board Members Participating in attendance, all were physically present as well as Fernando González. Guest Participants were on teleconference line as well as Staff Participant, Samantha Garcia. Minutes prepared by Samantha Garcia.

Welcome, Introductions, Opening Remarks

Eva-Jean Radle called meeting to order at 12:45 p.m.

First Action Item: Consider and Approve Minutes of Board Meeting of September 23, 2008

Clarification was made as to Derrick Swanburg's participation in previous teleconference. It was noted that Derrick now has missed four consecutive meetings of the Board of Directors. According to Bylaws his position is now also vacant. No other questions to minutes were raised.

Motion to Approve: Gregg McCumber

Second Motion: Hector Ramos

Carried: Unanimously

Discussion Item: Expenditures

González reviewed Rio Tech Fund's expenditures from July 1, 2007 – November 14, 2008. Question was raised about rent including the most recent month. Materials covered were included in the Board meeting packet provided.

Discussion Item: Vida Contract & ETF Disbursement Status

González summarized changes from previous draft only substantial change was addressing the administrative fees. The board acknowledged that the revision included the 5% administrative fee as previously discussed. Contract still has not been signed by VIDA representative.

González also mentioned that the state was requesting clarification about how the match disbursement was handled. A possible amendment to contract may be needed to satisfy the state that the funds are in fact being received by VIDA. Gregg McCumber addressed concerns about the need for the funds to return immediately to Rio Tech Fund to be in keeping with the provisions of Rio Tech Funds contracts with sponsors. Written materials covered were included in the Board meeting packet provided.

Technical Difficulties:

During this discussion item the teleconference line service abruptly dropped and cell service was also interrupted. Efforts were made by all parties to communicate after interruption. Samantha Garcia sat on the conference line in order to communicate with Guest Participants about the status of the call. Meeting continued with full quorum with Board Members Participating and Executive Director, Fernando González.

Notes Prepared Up to this Point by: Samantha Garcia.

Notes prepared after this point by: Fernando González.

Gonzalez will inquire with the State ETF office if the requirements will be satisfied if the Rio Tech Fund donates its funds, in writing, to Vida with the explicit purpose of funding RCIC operations and keeping the amount in the Rio Tech Fund account opened by Vida. This is the arrangement in practice currently, so it is believed that capturing it on paper should suffice. An alternative approach is to prepare a notarized statement declaring that the reason Rio Tech Fund exists is to create a separate conduit for the matching funds to ensure Vida does not create any conflicts with its own mission or duplicate any funding from its contributors.

Discussion Item: RGV Partnership Office Space

Fernando González presented the agreement between the RGV Partnership and the Rio Tech Fund. His office has already been moved from Vida to the RGV Partnership at the start of November. Materials covered were included in the Board meeting packet provided.

Discussion Item: ETF Advisory Committee Insights

Rick Ledesma was unable to be reached due to technical difficulties. This item was tabled until such time as convenient for Ledesma.

Second Action Item: Board Elections

Discussion was held about the five candidates qualifications. The board decided to elect Roger Creery, Brian Godinez, Carlos Marin, and Pablo Rhi-Perez as board members, and to select Pat Bubb as a member of the advisory council. Candidates' biographies were included in the Board meeting packet provided.

Motion to Approve: Sam O. Olivarez

Second Motion: Hector Ramos

Carried: Unanimously

Third Action Item: Consider Executive Session - Presentation from Applicants

The board did not consider moving into executive session because the scheduled presenter did not arrive because of flight delays, and the conference call alternative failed.

Fourth Action Item: Select Companies to promote to ETF

Without any company presentation, there is no selection for promotion to the ETF.

Set Date for Next Meeting:

The board discussed that its next meeting should be December 9th or 10th depending on travel availability of the presenter. Fernando González will advise on the new date.

Other Business, Adjourn:

Other business discussed included the possibility of meeting with representatives from the City of McAllen and the McAllen Chamber to discuss the Rio Tech Fund and its goals.

The status of previous applicants, Scantech Sciences, Medical Safety Technologies, and Southmost Medical was presented by Fernando González. There is no change in any of the companies award status, but there was substantial communication requests from the ETF office the morning of Thursday November 20, 2008, indicating that the Leadership was reviewing the applicants which had been pending since July.

Adjourned at 1:45 p.m.

Notes recorded by:

Samantha Garcia
Fernando González