



Athens Economic Development Corporation

Board of Directors

Minutes of Board Meeting

August 18, 2020

The Board of Directors of the Athens Economic Development Corporation (hereinafter referred to as AEDC) held a Board Meeting at 10:00 A.M. on Tuesday, August 18, 2020 in the Derek D. Daniels Room of the Athens Partnership Center located at 201 W Corsicana Street, Athens, Texas.

Directors present: Will Traxson, John Trent, Danny Tidmore, Morgan Jones, Carmen Hunt, Randy Jones and Cliff Bomer

Staff Present Joanie Ahlers, Executive Director and Valerie Franklin, Office Manager

Ex-Officio: Mayor Monte Montgomery, City Manager Elizabeth Borstad

Call to Order

The meeting was called to order at 10:01 A.M. by President Will Traxson for all agenda items. A quorum was present.

Declaration of Conflict of Interest

Mayor Monte Montgomery will step out on Prospect #1799.

Public Communications

None.

Consider discussion and possible action regarding the approval of Minutes from AEDC Board Meeting on July 21, 2020

A motion was made by John Trent and seconded by Cliff Bomer to approve the July 21, 2020 Minutes. The motion passed unanimously.

Consider discussion and possible action regarding the July 2020 Financials

Executive Director Joanie Ahlers stated we are up \$20,700 up in sales tax, a 17% increase over last year. Our TexStar account is earning .2 and .4 Logic account.

Cliff Bomer made a motion to accept the July 2020 financials. The motion was seconded by Danny Tidmore and the motion carried unanimously.

Consider discussion and possible action concerning Poseidon Productions request for consent to sell, convey, and otherwise transfer real and personal property

Poseidon Productions, (Extreme Engineering), are at a crossroads in their growth. Mr. Jeff Wilson, president, gave a brief presentation of what Extreme Engineering does and what alternative routes the company is considering taking. They would like to create a holding company that would protect their assets from liability. The assets would be transferred the holding company. Extreme Engineering's business will remain the same. AEDC has documents to secure their loan. They have one loan outstanding and have paid off three. Jeff Moore, attorney for AEDC, has reviewed the Consent to Sell and he has approved with the agreement.

Cliff Bomer made a motion to consent to allow the sell or transfer of property to Poseidon Productions (Extreme Engineering). Randy Jones seconded the motion and the motion carried unanimously.

Consider discussion and possible action concerning selection of auditor Patillo, Brown and Hill

Last year AEDC utilized Patillo, Brown and Hill as our auditor. We will use this auditor for the next two years.

Randy Jones motioned that we accept Patillo, Brown and Hill as our auditor for the next 2 years. The motion was seconded by Carmen Hunt. The motion passed unanimously.

Consider discussion and possible action concerning Lease Amendment with Spot On Safety

Mr. Thomas Strand owns a start- up company making safety equipment for skyscrapers, Spot on Safety. He is leasing 414 W College from AEDC. His lease was supposed to escalate after six months. Due to COVID-19 his sales have slowed down. He is asking that he continue at \$750 per month for the next six months and that the additional funds would be added to the end of the lease. Director Cliff Bomer asked Mr. Strand to explain what his business is experiencing. Mr. Strand stated his product is a capital intense product. It saves money over the long run, but there are cheaper products that can be purchased. Projects have been postponed, not cancelled.

A motion was made by John Trent to approve the Lease Amendment and second by Danny Tidmore. The motion carried unanimously.

Consider discussion and possible action regarding Board of Directors Officer Elections

At the request of President Traxson, this item was added to this month's agenda. The current positions end September 30, 2020. Ms. Carmen Hunt is currently the Secretary, but her term will end September 30, 2020.

Cliff Bomer made a motion that all officers remain the same except for Secretary. He nominated Randy Jones. The motion was seconded by Danny Tidmore. The motion passed unanimously.

Consider discussion and possible action concerning committee selection for top three proposals for RFQ Athens Industrial Park Roadway and Drainage

Executive Director Joanie Ahlers explained we received eight RFQ submittals originally and the Staff committee narrowed it down to three. The committee consisted of City Manager Borstad, Tim Perry, City of Athens Roads and Streets, and Joanie Ahlers. She is asking three board members to volunteer to review the last three and bring back a recommendation to next month's meeting.

City Manager Borstad asked that we bring the three firms in and make sure we they are proposing matches up with what we are requesting. Directors Danny Tidmore, John Trent and Will Traxson volunteered to participate on the committee.

A motion was made by Randy Jones and second by Cliff Bomer that this committee be formed. The motion passed unanimously.

Consider discussion and possible action concerning Rotary membership for Executive Director Ahlers

John Trent made a motion that the AEDC pay membership fee for Rotary for Executive Director Ahlers be paid. The motion was seconded by Danny Tidmore. The motion passed unanimously.

Executive Director's Update

COVID Small Business grant program has ended. We issued two additional grants to CeCe's Salon and Railway Café.

City Council has tentatively approved our final budget for FY21 as presented, no changes. Final approve by Athens City Council will be next week.

Ahlers has started drafting the guidelines for the Community Development and Business Assistance grant programs.

The AEDC Investment Committee needs to meet this month. It is in the bylaws that the committee will meet in August so, she will be reaching out to the members and setting up a meeting.

Executive Session Pursuant to the Texas Government Code, Section 551.072 (Deliberation regarding real property; Closed Meeting) to deliberate the purchase exchange, lease or value of real property: Athens Industrial Park Lot TR 64, Ab 19 J B ATWOOD SUR, TR 64 (RE:LTS 33A,35)

The board went into Executive Session at 11:04 a.m. and resumed in open session at 12:15 p.m.

Consider discussion and possible action concerning items discussed under Agenda item #13 and 14

Cliff Bomer made a motion to approve the land sell to SBI. The motion was seconded by Danny Tidmore.

Prospect 1805

A motion was made by John Trent for the value of \$150,000 for ten acres as an incentive and lease to

purchase the building for IHS Door Company. It was seconded by Carmen Hunt. The motion passed unanimously.

Prospect 1799

A motion was made by Cliff Bomer for the grant of land for five acres at \$15,000 per acre. The motion was seconded by Randy Jones. The motion passed unanimously.

Prospect #1806

A motion was made by Danny Tidmore for a \$42,000-year one cap ex and a \$25,000-\$28,000 max employee incentive and it was seconded by Cliff Bomer. The motion passed unanimously.

AEDC Board of Directors' future agenda items

Suggestions for replacement for Director Carmen Hunt.

Adjourn

With no other business to discuss, the meeting was adjourned at 12:18 p.m.

Carmen Hunt, Secretary

Will Traxson, President