

**Athens Economic Development Corporation
Board of Directors Special Meeting and Joint Workshop
Minutes for November 29, 2017**

The Board of Directors of Athens Economic Development Corporation (hereafter referred to as AEDC) held a Special Meeting and Joint Workshop with the Athens City Council at 11:30 a.m. on Wednesday, November 29, 2017 in the Derek Daniels Board Room of the Athens Partnership Center, 201 W Corsicana, Athens, Texas.

Directors present: Jeaneane Lilly, President, John Trent, Carmen Hunt, Cliff Barrett, Cliff Bomer and Randy Jones

Directors absent: Will Traxson

Staff present: Lisa Denton, Dede Sims and Sherri Skeeters

City Council present: Monte Montgomery, Mayor, Joe Whatley, Ed McCain, Toni Clay and Robert Gross

City Staff present: Gary Whittle, Interim City Manager, Thanasis Kombos, Assistant City Manager, Bonnie Hambrick, City Secretary and Marty Coursey, Finance Director

Guests: Jess Laird, Maurice Cox, Steve Grant, David Holdredge, Bill Jackson, Charles Tidmore, Chris Knight, Michael Hannigan and Dan Casey

Call to Order

The meeting was called to order at 11:36 a.m., by President Jeaneane Lilly for all agenda items. A quorum was present.

Declaration of Conflict of Interests

None declared

Consent Agenda

- A. Consider approval of minutes from AEDC Special Board Meeting dated November 3, 2017
- B. Consider approval of AEDC Investment Strategy
- C. Consider approval of Easement and Right of Way Tract with Oncor Electric Delivery Company LLC

Carmen Hunt made a motion to approve all items in the Consent Agenda. Cliff Bomer seconded the motion and motion carried 6-0.

Consider discussion and possible approval of Economic Development Performance Agreement with HVAC Manufacturing, Inc.

AEDC Board was presented with the final contract prepared by AEDC Counsel. Cliff Bomer made a motion to approve the EDPA as presented. Cliff Barrett seconded and motion carried 6-0.

Enter into joint meeting with City Council of the City of Athens, TX.

President Jeaneane Lilly opened the joint meeting with City Council.

Consider discussion and possible action regarding funding request for participation in the Texan Theater Grand Opening.

Mayor Montgomery read an opinion the city received from Scott Joslove, formerly with the TX AG Office and General Counsel for the Texas Municipal League, regarding the legal use of Type B funds for a concert at the Texan. In Mr. Joslove's opinion, it is of legal use. President Lilly shared that the AEDC board received a copy of the official wording from the Economic Development Handbook from the Office of the Attorney General, along with opinions received from Zindia Thomas, current General Counsel for TML, as well as former TX Assistant Attorney General, city attorney Blake Armstrong and Carlton Schwab, an expert in the field of ED, that this is not an allowable expenditure of Type B proceeds. After some discussion, Mayor Montgomery expressed his appreciation of AEDC's consideration, but indicated that it is better to stay on the safe side and that the matter would not be pursued any further.

Discuss Airport Planning

Mayor Montgomery asked the Board and Council for ideas, commitments and plans as to how to fund the airport expansion. He stated that the city is not in a position to contribute funds and is asking the AEDC Board for a commitment to secure \$500,000/year for four years, for the development of the expansion. He stated the grant is 90/10 but, if we showed commitment to fund 80/20, it could put Athens at the front of the line.

President Lilly called on Jess Laird, and others present, to share their background of the project, since both the AEDC Board and Council have new members. When funding for the airport project was originally discussed, it was understood that AEDC's contribution included the initial purchase of property to aid with the expansion, and additional funding would derive from the city, county and private donors. Mayor Montgomery stated, in his opinion, that the funding from private sector is not bankable. Councilmember Clay expressed that the city should contribute and Councilmember McCain stated he's asking for good faith and the city should try to budget it in.

John Trent asked when the Economic Impact study would be available and the time frame to fund the project. President Lilly stated that AEDC has limited funds to contribute and has financial obligations already in place for the next five years. She further stated that if realigned, there's a possibility all parties can work together.

It was the majority opinion that the County should be involved and fund a portion of the expansion. It was recommended that a joint session with AEDC, City of Athens and Henderson County take place in early January, after the Economic Impact study is complete.

Mayor Montgomery called for a five-minute recess at 1:02 p.m. The meeting reconvened at 1:10 p.m.

Adjourn

President Lilly adjourned AEDC's meeting at 1:13 p.m. Board members interested in staying for the discussion by city council on the Freeport Tax Exemption were encouraged to stay.

Carmen Hunt, Secretary

Jeaneane Lilly, President