

**Athens Economic Development Corporation
Board of Directors Meeting
Minutes for July 2, 2019**

The Board of Directors of the Athens Economic Development Corporation (hereafter referred to as AEDC) held a Board Meeting at 10:00 A.M. on Tuesday, July 2, 2019 in the Derek D. Daniels Room of the Athens Partnership Center located at 201 W. Corsicana Street, Athens, Texas.

Directors present: Jeaneane Lilly, Carmen Hunt, Randy Jones, John Trent, Cliff Bomer and Will Traxson

Staff present: Lisa Denton, Sherri Skeeters and Dede Sims

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

Guests: Council member Aaron Smith, City of Athens HR Director Jennifer Robertson, AEDC Counsel Steve Stark, Deborah Deas, Rich Flowers and Todd McFarland and Chris Richardson

Call to Order

The meeting was called to order at 10:06 A.M. by President Jeaneane Lilly for all agenda items. A quorum was present.

Citizen Comments

Deborah Dees thanked Lisa Denton for her hard work and efforts with Athens Economic Development Corporation.

Declaration of Conflict of Interest

None

Consider entering into Executive Session according to TEXAS GOVERNMENT CODE Chapter 551 to discuss the following:

At 10:08 A.M., President Lilly announced that the board would enter into Executive Session pursuant to the provisions of the TEXAS GOVERNMENT CODE Chapter 551, in accordance with the authority contained in the following sections:

- A. Section 551.087 - Deliberation regarding Economic Development Negotiations with the following prospects:
Prospect #1795

The board reconvened into open session at 10:55 A.M.

Consider discussion and possible action on items discussed under Agenda Item 10

No action taken

Consent Agenda:

- A. Approval of Minutes from AEDC Board Meeting June 6, 2019

John Trent made a motion to approve the Consent Agenda, as presented. Carmen Hunt seconded and motion carried 6-0.

Consider discussion and possible approval of the following items associated with AEDC owned properties:

A. 201 W. Corsicana

1. Roof Repair

The board was updated regarding roof repairs being complete and stucco repairs which are ongoing.

2. Tenant Lease Renewals

TVCC Small Business Development Center and Keep Athens Beautiful have submitted letters requesting lease renewals, as they are concerned about the future disposition of the facility. The current lease terms end December 1, 2019.

Will Traxson made a motion, seconded by Randy Jones to offer a three-year lease renewal to all current tenants with the lease rates remaining the same. Motion carried 6-0.

B. 1704 Enterprise Street

1. Biomerics Draw Request 5, in the amount of \$193,799.25

A review of the latest construction work was presented for consideration. Staff recommended payment as requested, less the 10% retainage.

Will Traxson made a motion to approve Draw Request 5, in the amount of \$193,799.25. Randy Jones seconded the motion and motion carried 6-0.

Consider discussion and possible action on Business Assistance Grant with Richard Gallo, Silver Line Roofing

A review of the Business Assistance Grant with Richard Gallo, Silver Line Roofing was presented. Total investment by Company was \$14,207, with the approved grant amount being \$9,667.

Randy Jones made a motion to approve payment of \$9,667 and Carmen Hunt seconded. Motion carried 6-0.

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

Cliff Bomer made a motion to approve the EDPA's and loan documents, with the additional requirement of a Lender's Policy to be added to the facility note. The cost of the policy will be passed on to the company in closing costs. Will Traxson seconded and motion carried 6-0.

Consider discussion and possible action on the following items associated with the organization, structure and future planning for AEDC:

A. Nominations for AEDC board member to fill unexpired term of Cliff Barrett

Will Traxson made a motion, seconded by John Trent, to nominate Morgan Jones to the City Council for appointment to the AEDC Board, to fill the unexpired term of Cliff Barrett. Motion carried 6-0.

B. Board Member positions and terms

Ms. Denton noted that Will Traxson, Cliff Bomer and Randy Jones all have terms that expire September 30, 2019, and will need to be requested for reappointment by Council before that date. President Lilly stated that she would be resigning effective at the close of today's meeting, citing health issues and personal time constraints. She did express her concern for the organization with all that has transpired, and that she felt the departure of the Executive Director would cause a strain on the board. Carmen Hunt noted that she would be putting forth Christine Russell as a nomination to Council, for replacement to fill the unexpired term of Jeaneane Lilly at the next AEDC board meeting.

C. Plans for Director search

Mrs. Borstad explained that the job posting for the new director had been posted. The salary was posted at a city director level, with a starting pay of \$63,000. She requested three board members be assigned to a committee, along with a couple of council members, herself and Jennifer Robertson. This group will be responsible for reviewing, interviewing and selecting the final candidate. President Lilly appointed Will Traxson, John Trent and Cliff Bomer to this committee.

D. Budget Planning for FY 2020

Ms. Denton passed out the budget planning spreadsheet to all board members. She noted the next city budget workshop was planned for July 15th, and a draft budget would need to be presented at that time. Randy Jones, Cliff Bomer, John Trent and Will Traxson will serve on the budget committee to meet and prepare the draft budget to be presented. They will meet on July 9th at 9:00 AM. Notice for this meeting will be posted, as required by law.

Consider discussion and possible action regarding bonus program for Executive Director

Ms. Denton noted that the Biomerics project was eligible for bonus in June 2018 when contracts were signed. This is paid each year, with information taken from the tax rolls. She noted the investment would likely not be completed until 2021 and requested that the board consider a way to handle the bonus payment that had been earned. Some board members felt it would be better to handle the payment now, as a representation of full and final payment of all sums due, along with vacation earned.

John Trent made a motion to approve the payment of a performance bonus, in the amount of \$10,000, to Lisa Denton for achievements during her service for the last five years. Will Traxson seconded and motion passed 5-1, with Cliff Bomer opposed.

With no further business to discuss, the meeting was adjourned at 12:16 P.M.

Carmen Hunt, Secretary

John Trent, Vice President