

**Athens Economic Development Corporation
Board of Directors Meeting
Minutes for September 29, 2017**

The Board of Directors of the Athens Economic Development Corporation (hereafter referred to as AEDC) held their Annual Board Meeting at 10 a.m. on Friday, September 29, 2017, in the Derek Daniels Board Room of the Athens Partnership Center, 201 W. Corsicana, Athens, Texas.

Directors present: Jess Laird, President, Jeaneane Lilly, Carmen Hunt, Cliff Barrett, John Trent, Will Traxson and Maurice Cox

Staff present: Lisa Denton and Sherri Skeeters

Ex Officio: Mayor Monte Montgomery, Interim City Manager Gary Whittle

Guests: Senator Robert Nichols, Representative Lance Gooden, Randy Jones, Cliff Bomer, Thanasis Kombos, Ed McCain and Rich Flowers

Call to Order

The meeting was called to order at 10:00 a.m. by President Jess Laird for all agenda items. A quorum was present.

Citizen & Special Guest Comments

Mayor Montgomery thanked Jess Laird and Maurice Cox for their service on the AEDC Board of Directors.

Senator Nichols and Representative Gooden presented Laird and Cox with Texas flags flown over the Capitol in Austin, along with certificates honoring six years on the AEDC Board.

Declaration of conflict of interest

President Laird stated he had a conflict with Item A. in Executive Session: Possible purchase of real property.

Consider discussion and possible approval of minutes from the following AEDC Board Meetings:

A. August 15, 2017

Will Traxson made a motion, seconded by Maurice Cox, to approve the minutes of the August 15, 2017 AEDC Board meeting. Motion carried 7-0.

Consider discussion and possible action on the following items associated with AEDC Financials:

A. August Financials

The board received an update on the revenues, expenditures and commitments of AEDC, for the month of August.

Cliff Barrett made a motion to approve the August financials. Will Traxson seconded the motion. Motion carried 7-0.

B. Removal and addition of authorized signors for AEDC checking accounts

John Trent made a motion to approve the removal of Jess Laird and Maurice Cox from the list of authorized signors, and to add Cliff Bomer and Randy Jones. Carmen Hunt seconded the motion

and motion carried 7-0.

C. Engagement Letter from Conway Company CPAs for FY 2017 Audit

Cliff Barrett inquired about the company signature on the letter and if it was legal to execute with simply the company name, rather than an authorized individual. Staff will inquire and report back.

Will Traxson made a motion, seconded by Jeaneane Lilly, to approve the engagement letter from Conway Company CPAs. Motion passed 7-0.

Consider discussion and possible action on the following items associated with AEDC owned property

A. Athens Industrial Park

- 1. Invoice #1252573 from Stantec, in the amount of \$2,440, for civil engineering associated with Prosperity Dr.**

Cliff Barrett made a motion to approve invoice #1252573, in the amount of \$2,440. Carmen Hunt seconded the motion and motion carried 7-0.

- 2. Proposal from 4C Mowing, in the amount of \$1,800 for costs associated with mowing and trimming**

Board and staff discussed the current mowing conditions and costs related to the vacant land in the industrial park. 4C Mowing offers higher quality services at a much lower cost than any vendors in the past. The individual currently mowing the property had hoped to be able to bale hay, but feels it will not yield enough to make it possible to maintain at no cost. Thanasis Kombos with the city felt it might be possible for the city to assist AEDC with mowing. Staff will work with the city to determine scheduling possibilities and costs associated with the work. Staff will report back on findings.

Consider discussion and possible action regarding City of Athens Cultural Resources request for financial participation in the Texan Theater grand opening

Thanasis Kombos presented a plan to bring in big name entertainment for the grand opening of the Texan Theater, at a cost of \$35,000. The City is looking for AEDC to participate with funding in the amount of \$15,000. HOT funds would contribute \$12,500 and they would seek \$2,500 in corporate sponsorships. AEDC Executive Director had asked for an attorney's opinion from city attorney Blake Armstrong regarding the legality of using public monies to fund an event. Mr. Armstrong indicated he could not find any authority that would allow for this use of funds. Interim City Manager Gary Whittle indicated the city is seeking a second opinion on the matter. The city has asked AEDC to table the matter until more information can be gathered.

No action was taken on this item.

Consider discussion and possible approval of the following items associated with AEDC Business Assistance Grant Program:

A. Application from Henderson County HELP Center & Maggie's House

Staff has reviewed the application from above named property owner. Assistance for the extension to the parking lot area that has been requested is not visible from North Hwy 19, which

is a requirement of the grant. The Board was not in favor of approving this portion of the grant. Assistance was also requested for additional lighting. Staff is to gather more information regarding the location of the lighting to verify it complies with the approved area. Item will be brought back for consideration at the next meeting.

No action was taken, to allow staff to collect additional information.

B. Guidelines & Criteria for FY 2017-18

Suggested changes to the guidelines & criteria were presented to the board, based on input provided by board members. First time applicants can receive up to 80% matching grant for principal façade improvements, with a maximum of \$12,500. A 60% matching grant on side or rear façade improvements, with a maximum of \$6,250. Demolition grants can also be up to an 80% match, with a maximum of \$10,000. Sign and property improvements remain unchanged. Applicants who have received prior funding will only be eligible for a 50% matching grant on future applications. A call for applications, with a deadline to apply, will be added to the program, rather than consideration throughout the year.

John Trent made a motion, seconded by Will Traxson, to approve the amended guidelines and criteria, based on the above information. Motion carried 7-0.

Compliance review of Economic Development Performance Agreement with the following:

A. Extreme Engineering

The Performance Summary Report for Extreme Engineering was discussed. Company had projected up to 33 full time employees over a five year period. Incentive payments would be paid upon the number of full time employees for year 1 and 2, with the amount based on hourly wages. This portion of the grant has not been paid to date. Staff recommends verifying the qualified number of employees and crediting the incentive amount against the Company's 0% interest loan. Capital investment was required at \$750,000 to earn an incentive. Company has yet to hit this mark. There is one more year on the contract.

A motion was made by Carmen Hunt and seconded by Will Traxson to approve a maximum credit of \$24,000 to be applied to the 0 interest loan, once verification has been made. Motion carried 7-0.

Consider discussion and possible adoption of Resolution 17-0929 authorizing AEDC's Public Funds Investment Policy

Will Traxson made a motion to adopt Resolution 17-0929, authorizing AEDC's Public Funds Investment Policy. Maurice Cox seconded the motion and motion carried 7-0.

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

At 11:06 a.m., Jess Laird, AEDC President, announced that the Board would retire 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 551.072 – Deliberation regarding Real Property
Possible purchase of real property
- B. Section 551.074 – Deliberation of Personnel Matters
AEDC Staff compensation
- C. Section 551.087 - Deliberation regarding Economic Development
Negotiations with the following prospects:

Prospect #1551	Prospect #1569
Prospect #1554	Prospect #1571
Prospect #1559	Prospect #1578
Prospect #1566	Prospect #1593

The board reconvened into Open Session at 12:16 p.m.

Consider discussion and possible action on items discussed under Agenda Item 12

Will Traxson made a motion to authorize the President to execute a contract for the purchase of real property, in the amount of \$130,000. Maurice Cox seconded the motion and motion carried 6-0, with Jess Laird abstaining, due to a conflict of interest.

Will Traxson made a motion, seconded by John Trent, to consent to the transfer of controlling interest in stock of FutureMatrix Interventional to Vance Street Capital. This transfer does not excuse the remaining year of compliance required for the EDPA currently in place for the property at 1704 Enterprise. It also does not affect the lease in place on same property. Motion carried 7-0

Jeaneane Lilly made a motion to approve the reimbursement of permits, platting fees and overpayment of property taxes, in an amount not to exceed \$6,000, to HVAC Manufacturing Inc. Maurice Cox seconded the motion and motion carried 7-0.

Consider discussion and possible action on the following items associated with AEDC Board of Directors:

A. Election of AEDC Officers for FY 2017-18

President Laird made a motion to elect the following slate of officers:

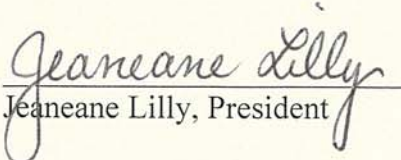
- President-Jeaneane Lilly
- Vice-President John Trent
- Secretary-Carmen Hunt
- Treasurer-Cliff Barrett

Will Traxson seconded the motion and motion carried 7-0

B. Schedule of Meetings

Newly elected President Jeaneane Lilly set the meeting schedule for the third Tuesday of each month at 9:00 AM. This schedule is subject to change if conflicts arise.


Carmen Hunt, Secretary


Jeaneane Lilly, President