

Notice of Regular Board Meeting  
Of the  
Gun Barrel City Economic Development Corporation

The Gun Barrel City Economic Development Corporation will meet in a Regular Board meeting in the Gun Barrel City Council Chambers located at 1720 West Main Street, Gun Barrel City, Texas, 75156 on Tuesday, January 12, 2016 at 5:00 p.m.

Call to Order

Invocation

Pledge of Allegiance

Roll Call

Board Chair - Steven Schiff: Present

Board Member - Keith Butler: Present

Board Member - Gary Damiano: Present

Board Member - Megan Lindaman: Present

Board Member - Jim Osborne: Present

Board Member - Holland Whitten: Present

Board Member - Michael Slingerland: Present

Establish a quorum:

Schiff: All members are present and we have established a quorum.

**Citizen Presentations: (Limited to 3 Minutes)**

This item provides the opportunity for citizens to address the EDC Board of Directors on any matter whether or not it's posted on the agenda. However, in accordance with the Texas Open Meetings Act, Section 551.041, the EDC Board of Directors cannot discuss, deliberate, or take action on matters not listed on the agenda. At this time the Board will receive citizen comments, and if necessary, may refer the matter to EDC staff for research, resolution or referral to the EDC Board on a future agenda.

Schiff: I am unaware of anybody that wants to make citizen comments is there anyone who wants to speak? So be it.

Item #1. Discuss and/or take action to approve the EDC Meeting minutes of December 8, 2015 and EDC Meeting minutes of December 11, 2015.

(Schiff & Damiano switch seats.)

Schiff: Do I have a motion?

Butler: I make a motion to approve the minutes from December 8, 2015 and the EDC meeting minutes from December 11, 2015 meetings.

Whitten: Second

Schiff: I have a motion and a second. Any Discussion on the minutes?

All agree and motion is approved.

Item #2. Discuss and/or take action to approve the November 2015 Financials.

Schiff: The December Financials were also available but just available only as of today, and I could not get them on the agenda, so we will approve them hopefully next month. Do I have a motion to approve the Financials for November?

Whitten: I move we approve the Financials for November 2015.

Butler: Second

Schiff: I have a motion and a second.

All agree and motion passes.

Item #3. Discuss and/or take action to approve the proposed GBC EDC amended budget for the fiscal year 2015/2016. (Schiff/Whitten)

Schiff: Let me just give you a little bit of background here, there has always been a resolution assigned to this for the City Council meeting, Resolution R-2016-001. I just want to give the highlights if you look to the third page, Holland and I spent a enormous amount of time going over this budget not only with each other, but also with the CPA firm, and a couple of things that came out of this is really worth mentioning. As we went through the budget to make suggested changes, we found that there was a total of \$215,670.00 which was overstated in our opinion after the adjustments were made in the budget. So we took a look at the other things that were basically unbudgeted for the year, these would include things like the Big Chief Demolition and testing, the Croppie Kings Television program we are backing, the KCKL Bass Tournament that we are backing, the Croppie Anglers Junior Tournament, the Skate Park, GOE Tec Survey. The unbudgeted employee expense, the temporary work agency which is Work Co. Which Dawn, which I am sad to report that this is Dawn's last day with the Gun Barrel EDC as a temporary employee. And tomorrow she will join us as a full time employee on our payroll, so we budgeted that in as well and after adding in all the things that were basically unbudgeted line items, we came back and out of that \$215,670.00 that was available \$119,100.00 were accounted for, leaving a balance of \$96,570.00 basically in our budget that was overstated. That's also without touching any of our reserve money that was already planned for the beginning of the year. So really, in conjunction with Holland and I think we both agree that the EDC so far through 2015-2016 we have been pretty good stewards from the moneys we have been allotted from the budget, would you agree?

Whitten: I would agree and I think you give me a little too much credit, Steve did a great job on scrubbing this budget, but after it's all said and done were in very good shape, we got a recommendation from Linda Rankin that we make this part of our financial reporting just as a routine basis every month, and that's what we are in the process of doing is automating the monthly budget report so you can see it on a regular basis.

Schiff: Right. So lots of good things happening. The good news is that with these expenditures that we still have monies in the budget to continue to do what I think is really good work that is being done by the EDC Board as a whole. Holland again I want to thank you for all the work your doing especially in conjunction with the CPA to make sure our reports are really concrete and really clear and very easy for all the Board members to understand. So on item #3 if there are any questions, or if I could get a motion?

Damiano: I make a motion that we amend the 2015-2016 Budget, otherwise known as Resolution R-2016-001 I believe if I wrote it down correct.

Schiff: Right

Whitten: Second

Butler: Second

Schiff: I have a motion and a second. Any discussion?

All agree and motion passes.

Item #4. Discuss and/or take action to approve spending no more than \$1,500 for the purchase and installation of wireless security cameras to be tied back to the EDC website on [www.gunbarrelcity.net](http://www.gunbarrelcity.net) for the purposes of allowing the public to watch the construction/demolition/installation at the following EDC projects; Heritage Parkway, Skate Park and Project Lake. (Damiano/Slingerland/Schiff)

Schiff: Michael you want to fill us in?

Slingerland: I talked him this afternoon, Justin O'Conner is going to be doing it and I talked to him this afternoon. He is actually going to come in here next week and we weren't, and we are not paying for it, he's coming in for another reason and he's going to come in and go ahead and start the project and start telling you guys how we're going to hook this, get this hooked up. He's coming in to help his Uncle. So he's coming in from Porto Rico next week.

Schiff: Excellent. So, the thought here is to mount cameras down by Big Chiefs Landing, on Heritage Parkway, and also the Skate Park location in order for anybody at any time to go and watch the actual construction of what's going on for these projects. Obviously once the projects are done the cameras will come down and hopefully we will have other projects that we will be able to have our citizen's watch. We felt, in conversations with Gary and who's basic idea this was; was really a really good way for us to be a lot more transparent with the things that are changing in the City, related to the lights on Heritage Parkway and the Skate Park, and obviously what's going to be going on down at the Big Chief Landing, so Gary, I want to thank you for coming up with that I think is a really cool idea.

Damiano: Thank You.

Schiff: With some transparency.

Damiano: The only thing I want to add is something like the Skate Park, we may come back and revisit the idea later and just leave the cameras up there, so people can see activity at the Skate Park on a daily basis.

Schiff: Right

Damiano: We are trying to become present in people's lives out here in Gun Barrel City.

Slingerland: When the cameras are live, it's not like its still live picture, but you can actually see them running and moving and doing whatever they are doing.

Damiano: Yes its real time.

Schiff: Yep, so I am glad to hear Justin is coming in and I like the price tag on that too by the way.

Slingerland: I just found that out this afternoon, because I had another issue I had to talk with him about, so he told me about that this afternoon, so I thought that worked out well.

Schiff: That's excellent. So I would like to get a motion to approve the expenditure amounts that were asking for.

Damiano: I would like to make a motion that we authorize up to \$1,500.00 for the purchase of installation of wireless security video cameras for Heritage Cove, Big Chief, and the Skate Park at this point.

Osborne: Second

Schiff: I have a motion and a second, any discussion?

All agree and motion passes.

Item #5. Discuss and/or take action for the formulation of a three person EDC Board Strategic Planning Committee for the purposes of discussing and developing a GBC EDC Strategic Plan for the balance of 2016 and beyond. (Damiano/Schiff)

Schiff: Gary, comment?

Damiano: Ya, we have been, we hit a point where we have options. The city has options, the EDC has options, there are things we need, and there are things we like. My feeling and the reason I am proposing this is that I think we need a more concrete plan to go forward and figure out what the priorities are, and what the priorities are and getting to the priorities. That sounds like a conflicted statement but it is not intended that way. It will give the EDC membership a better vision of where we are going and what the components are to build our way to those, weather it's long term or short term, but basically it's starting off as a short term but there is a awful lot of long term in it. And hopefully we can get the City Council on board with it too and they can have input and join us on it.

Schiff: Attached to everyone's packet which I am sure you read already is a draft of a document that gives us a pretty good beginning to a Strategic Plan, it's been adjusted, and it's been changed, and

taking a look at all of the elements that are included in what I feel is a pretty good Strategic Plan, so using it as a basis of initial discussion. So for item #5 if we could get a motion?

Damiano: What's, what motion are you looking for? To establish a team?

Schiff: Yes

Damiano: O.k. I make a motion that we establish a team to develop the beginnings of a Strategic Plan for the GBC EDC.

Whitten: Second

Schiff: I have a motion and a second, discussion?

Damiano: Yes, laughing

Schiff: Yes, me also, so..

Damiano: Who would like to be on that team?

Osborne: I will be on it.

Damiano: O.K. Jim Osborne

Schiff: O.K. so we have Gary, we have Jim, any other volunteers?

Damiano: Holland?

Whitten: I will sign up for it.

Damiano: I think that's below a quorum.

Schiff: I'm shaking my head no, but you can be if you want.

Damiano: Holland's going to be in it? O.K. that keeps us below our quorum so do we want to start there?

Schiff: Holland are you sure you have the energy?

Whitten: Yes

Damiano: Anyone else?

Slingerland: (laughing)

Whitten: I don't see this as being a huge time thing, right?

Damiano: What did he say?

Schiff: He doesn't see it being a huge time involvement.

Damiano: Oh we can fix that.

Schiff: Any other discussion? Anybody else that would like to raise their hand?

Slingerland: Ya, O.K. whatever

Damiano: Anyone is welcome

Slingerland: O.K. I'll do it.

Lindaman: You got Michael.

Slingerland: O.K. I'll do it.

Damiano: Could you say that a little louder please.

Slingerland: no I'll do it.

Laughing

Schiff: Dawn, make sure you capture this please.

Linda Rankin: Asking if this will be below a quorum?

Schiff: No, shaking his head no, we are not going to be addressing comments.

Linda Rankin: Asking again if this will be below a quorum?

Damiano: Steve, Steve.

Schiff: We are not going to address comments.

Damiano: O.K.

Linda Rankin: Asking if it will be below a quorum.

Schiff: We don't do that during the City Council meetings. So we will keep it under a quorum, so Holland I am going to take you off of that for this time being, and I am going to ask Michael to join. So it will be Gary, Michael and Jim.

Damiano: O.K., Michael you O.K. with that?

Slingerland: I'm good.

Schiff: O.K. So we have a motion and a second, any other discussion? Holland your O.K. with that?

Whitten: I guess.

Schiff: Otherwise we will have a quorum.

Butler: Can he be an alternate?

Schiff: Yes

Butler: There you go.

Whitten: I can give you input, so it's fine.

Schiff: Absolutely

Damiano: That's a good suggestion.

Schiff: Yes, yes I like that.

Damiano: That's a very good suggestion.

Schiff: So we will make Holland an alternative.

Damiano: O.K.

Schiff: Any other discussion?

All agree motion passes.

Item #6. Discuss and/or take action to accept a presentation from Aaron Farmer, Senior Vice President from The Retail Coach, LLC. (Schiff)

Schiff: Welcome.

Aaron Farmer: Thanks us for our time and he talks about the town and the things that he can offer us. He talks about the demographics and the ways he can track who is coming from where and where they are shopping. Also about how he can help bring in business and what there is a need for. Also discussed the 1, 2, or 3 year option for their services. The Price range is 1 yr \$35-40 thousand, and about half of that for the next year or two. Members asked about how much time was really needed and what would get accomplished during the first year, second year and the third. There is a need to know what is going on around us. Their company was here before when Lowe's came into town. Retail takes time to come, which is why most people sign up with the three year plan. There is no guarantee into what they can bring in, but they have a relation with businesses that they feel comfortable will come where they will try to get them if things look right.

Schiff thanks him for coming in and Aaron said thank you. Aaron wanted to know if he could put together a packet for us to look at and all board members agree that would be good to see.

Schiff: Any motion?

Damiano: mmmm

Butler: We table it?

Damiano: I make a motion that we table any of this for the time being.

Schiff: I have a motion.

Osborne: Second

Schiff: And a second, any other discussion?

All agree item is tabled.

Item #7. Discuss and/or take action to review and make changes to the requirements for the EDC "Boots to Business" Program. (Damiano)

Damiano: Without going into a lot of discussion I think it's time we take a look at the Boots to Business program it's a great program, but there are a couple of questions that have popped up because there are certain people who have applied for it and so forth. Would you like me to give an example?

Schiff: I don't think it's necessary but you can if you want.

Damiano: O.K., part of it comes down to the qualification side, so what we should probably do is put together a team to look at the program in its overall package, and decide what the answers are to some of these. Because like I said we have hit a couple of issues.

Schiff: O.K., um any other discussion?

Damiano: It's basically about a one meeting thing.

Schiff: Let me ask you a question, is it a – go ahead Holland.

Whitten: I have one question for you, the information on Boots to Business that was included in the packet.

Damiano: mhmm

Whitten: Was that prior information or was that a new pass

Damiano: It's the current information.

Whitten: It's the current information, so

Damiano: Yes

Whitten: Well I thought it looked pretty good, so

Schiff: I am just going to step in, we just

Damiano: no. no go ahead

Schiff: We just want to make sure that over the past few years, things may have changed as to how we are going to review candidates that are coming for the Boots to Business Program, you know if there is a person who has a minority stake in the company, does that qualify them? These are the things that we want to discuss. Or does it have to be the majority stake holder who's the veteran who would qualify for this? Because we are, the Boots to Business Program today it's a \$50 thousand dollar grant. So we want to make sure that the qualifications are really set so that we can offer to those people who are qualified to receive it.

Damiano: And we want to make sure that as a Board, we are all on board with what the qualifications are.

Schiff: So can I make a suggestion that maybe we, since I think that to your point Gary, I think it's a one meeting type of discussion, maybe what we will do is between now and February, our next meeting let's put together a special meeting so that everybody can be included in the discussion.

Damiano: O.K.

Schiff: Alright, so I'm just suggesting that so maybe we have a motion and we have a..Do we have a notion?

Damiano:uhh

Butler: Not yet.

Damiano: No not yet

Schiff: O.K.

Damiano: And one of the other things on this is that there is a, I just want to bring this out, there was originally a team or taskforce and Frank you were on it, are on it, to review these applications, so part of the question is do we continue to have that team or do we expand it? Those are all issues. So I would like to make a motion and do you want a motion?

Schiff: Yes

Damiano: O.K. I would like to make a motion that we establish a small team to take a look at the current Boots to Business Program and come up with any suggested changes as acquired.

Schiff: O.K.

Butler: Second

Damiano: No, no no I didn't do that right; o.k. let me retract that...uh

Schiff: Before you retract that I think we have to vote, we have a motion and a second

Damiano: O.K.

Schiff: So we have to vote, any discussion then we can come back

Damiano: that's o.k.

Schiff: revisit the motion

All members vote – NO

Damiano: Thank you all for your cooperation, laughing

Schiff: Gary would you like to restate your motion?

Damiano: Yes I would like to suggest that we have a special meeting of the EDC to review the Boots to Business Program and come up with any suggestions or changes to the program, prior to our next regularly scheduled meeting.

Schiff: I have a motion

Butler: Second

Schiff: Any further discussion? We could actually, for further discussion we could put this into a workshop instead of a special meeting if you wanted to?

Damiano: Oh my god

Schiff: But I think we can just do a special meeting, I think it would be a really short meeting. So we have a motion and a second. Any other discussion?

All agree motion is approved.

Schiff: Thank You.

Damiano: Thank you.

Item #8. Discuss and/or take action to approve a change to the current EDC advertisement at Hometown Cinemas through Pot of Gold productions. (Schiff)

Schiff: A little bit of background, so currently we have had this now on the, what do you call that? The pre-movie?

Butler: Ya the preview

Schiff: Thank you, there is a slide that comes up talking about the Façade Program and that has been running now for about I believe the past four months. So in your packet today there is a suggested change to what we would like to run on that advertisement. We paid in full on this through April.

Damiano: Mhm

Schiff: So at that point I think we can sit down and see if we should continue with it or whatever, but there is a proposed change to the slide in your packet and that is what we are looking to discuss right now. So if there is motion to do the change to the current EDC Advertisement.

Damiano: I make a motion to make a change to the current Hometown Cinema advertisement.

Osborne: Second

Schiff: I have a motion and a second. Any discussion?

Butler: Real quick, ah all the ads that are on the preview if you will, are they all done by the same company, are they the same ones that did ours?

Schiff: Yes

Butler: I don't go to the movies that often.

Schiff: Ya

Butler: Ours is the worst.

Schiff: Ours is interesting.

Butler: Ya, son was home from college, my mouth was wide open and he said "did you actually pay for that"?

Schiff: Yep

Butler: So ya lets make some changes.

Schiff: (Shows paper) this is what it will look like, this is what we are proposing, even if we have to hire another company.

Butler: (laughing), ya

Schiff: There will even be a voice over, there is a voice over section and I already talked to Dawn and since her voice is really good, um she is very good at yelling (Sarcasm) so we will be able to get her to voice over some of this for the movie, so. Any other discussion? Motion and a second.

All agree motion passes.

Item #9. Discuss and/or take action to adopt a resolution approving the borrowing of \$514,500 by the Gun Barrel City Economic Development Corporation from Southside Bank to purchase the existing property located generally at 115 Big Chief Drive, Gun Barrel City, Texas. (Schiff)

Schiff: In your packet there's a packet that was drawn up by the attorney, well a attorney firm hired by Capital, Government Capital, and inside that packet with the document is the Resolution that will be sent to City Council after this meeting if we approve it, and the original purchase price on Big Chief Landing is \$510 thousand dollars for the purchase, drastically reduced from the \$950 thousand they were originally asking for the property. And also there is \$4,500.00 added into this loan amount for the legal fees and the closing costs that are included and that are needed in order to close the loan. Government Capital basically handles a lot of the necessary paperwork that has to be done in order for us to have an affective and very tight closing so that there are not any questions after the fact, by anyone in a government position and a or a private position. The interest rate on the loan will be 3% over the next 10 year period. Now interestingly enough if we didn't use Government Capital to close the gaps that needed to be closed on this, the rate would jump to 5% so we are basically using Government Capital to help us to make sure that we are getting the lowest interest rate that is available out there. There is also a provision in this Resolution that would allow us to borrow more money if we needed to, but we have no more intentions to borrow any more money based on the purchase price. The only other caviot that I want to bring to everybody's attention is the fact that the EDC can repay the note, but they can only repay the note in 2022. So the bank, we cannot early pay the note until 2022, because the bank needs to keep this loan on their books for that long in order for the rate to work. So basically included in your packet is the document that outlines the Resolution, weather we pass or don't pass it, um Megan you're going to have to get together with Dawn afterwards and myself and we are going to have to certify it and Dawn will notarize it so that we can send it back in. O.k. So can I get a motion? For item #9.

Osborne: I move that we take action to adopt the Resolution approving the borrowing of \$514,500.00 By the Gun Barrel City EDC from Southside Bank for purchasing the existing property generally at 115 Big Chief Dr. GBC.

Butler: Second.

Schiff: I have a motion and a second. Any Discussion?

Butler: I have a question?

Schiff: Sir

Butler: Is there a pre-payment penalty is we decide to pay cash for this thing?

Schiff: There is, once we have the loan secured.

Butler: So two or three years if we decide to write a check for this and be done with it.

Schiff: Ya and I have asked that question, but haven't gotten clarity on it, but yes there is a per-payment penalty.

Butler: You just don't know how much it is yet?

Schiff: Right, yep

Butler: Should have that

Slingerland: They already said we couldn't pay it off until 2022 anyways

Butler: Yes so what difference does that make?

Damiano: it doesn't

Schiff, Ya

Osborne: I mean that's the rule and we stay with it until 22

Schiff: We have to keep the note active so they can make their money off of it.

Slingerland: Because that's the only way they can make their money off of it.

Osborne: Because that's a good rate.

Schiff: 3% is a very good rate for 10 years anyway. Any other discussion?

All agree and motion passes.

Item #10. Discuss and/or take action to grant permission to Trent Westmoreland, CPA (Henry & Peters, PC – GBC EDC Auditors) to have access to the GBC EDC Quick Books through Theresa Cryer, CPA for annual auditing purposes.

Schiff: Just very quickly we tied in with the CPA Firm who is doing the City's auditing and I met with Trent last week and he asked for our QuickBooks, well we don't have our QuickBooks here on file anymore because we have Theresa doing our CPA work and she has the copy of our work. And he asked for access and I said I would have to discuss it with the board first to make sure it was o.k. with everybody before I was able to grant him permission to do so.

Damiano: Need a motion?

Schiff: Mhmm we need a motion.

Osborne: I make a motion we take action to grant permission to Trent Westmoreland, CPA for him to have access to GBC EDC QuickBooks through Theresa Cryer for Annual Auditing Purposes.

Osborne: Seconds

All agree and motion passes.

Motion to Adjourn?

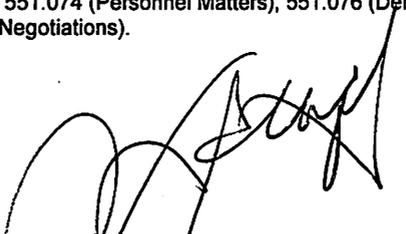
Butler: Motion to Adjourn.

Adjournment 6:03 P.M.

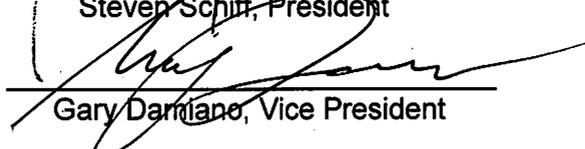
"A quorum of the full governmental body may attend the meeting of a committee of that body, or any other city advisory board. For example, a quorum of the Gun Barrel City Council may attend a city economic development board meeting or city advisory board meeting."

The Gun Barrel City EDC reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by the Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) or 551.087 (Deliberations Regarding Economic Development Negotiations).

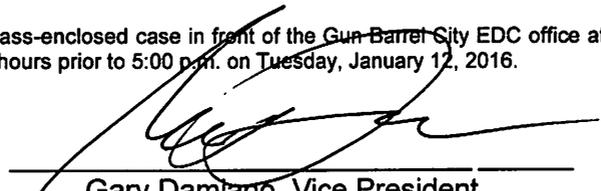
Approved by:

  
\_\_\_\_\_  
Steven Schiff, President

Attest by:

  
\_\_\_\_\_  
Gary Damiano, Vice President

I certify that the above was posted in a glass-enclosed case in front of the Gun Barrel City EDC office at 1720 W. Main Street, Gun Barrel City, Texas and available for viewing by the public 72 hours prior to 5:00 p.m. on Tuesday, January 12, 2016.

  
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Gary Damiano, Vice President

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the Economic Development office at 903-887-1899 for further information.