

Minutes of the Regular Board Meeting of the Gun Barrel City Economic Development Corporation

The Gun Barrel City Economic Development Corporation met in a regular Board meeting at the office located at 1720 West Main Street, Gun Barrel City, Texas, 75156 on Tuesday, August 20, 2013 at 5:00 p.m. Rankin called the meeting to order at 5.02 p.m. with the following directors present: Janow, Spiegel, Cassady, and Damiano. A quorum was established. Jim Cavanaugh was absent.

Citizens in attendance: Connie Holubar, Jack Thompson/Orasi Development, City Manager Gerry Boren, and City Councilman Dennis Baade. City Councilman Marty Goss arrived at 5:15 p.m.

Citizen's Comment: None

Item #1. Discuss and take action to approve the regular minutes of July 16th, 2013 and the special minutes of August 5th, 2013.

Spiegel made a motion to approve the July 16th minutes. Damiano seconded. All directors voted 'aye'. Motion carried.

Cassady made a motion to approve the August 5th minutes. Damiano seconded. All directors voted 'aye'. Motion carried.

Item #2. Discuss and take action to approve the July financials.

Spiegel made a motion to approve the July financials. Damiano seconded. All directors voted 'aye'. Motion carried.

Item #3. Discuss and take action to approve the funding for the Church Street Sewer Project.

Boren asked the EDC directors to approve the funding for the Church Street Sewer Project at a cost of \$36,670.70 with a 5% contingency. East Cedar Creek FWSD would take care of the backup water system extension that would cost \$2,839.86. Boren said he would try to negotiate with AAA Sanitation for a lower cost. This cost could be recouped when the land at Church and Luther was sold. Janow made a motion to approve \$36,670.70 with a 5% contingency. Spiegel seconded. All directors voted 'aye'. Motion carried.

Item #4. Discuss and take action to update EDC demographics, maps and website.

Rankin said she had to get a packet together quickly for a project that will be discussed in executive session. We were out of inserts sheets so we couldn't do any new packets. Spiegel said there had to be hundreds of the inserts here. Rankin said there were shells but we don't have all the pages. Since we had to get more printed we would update the demographics. Connie could easily update the text. Rankin asked Spiegel if he wanted to help proof the documents. Spiegel declined.

Rankin had asked Thompson's firm to update the EDC demographics and maps. The previous drawing of the 92 acres had been updated and completed and Rankin wanted the cost of \$100.00 approved. Boren would add a few things to the drawing. He asked for permission to use the map. Rankin explained the layout of the EDC property. There was 7 acres for sale north of the 8 acres already owned by the EDC. It had been suggested that the 7 acres be purchased, which would move the City closer to Hwy 198. Goss wanted to see the 7 acres on the EDC's next agenda. Cassady made a motion to approve up to \$2,500.00 for marketing material. Janow seconded. Pat and Connie would update the website. If anyone had any suggestions or comments they should contact Pat or Connie. Boren said Mickie was working on pictures for the website update. Cassady didn't think there was any cost needed to update the website content. A shared cost with the city would be discussed later for the template changes (changing out photos). Rankin said we had the option to do a trade out with the Perelli's for new photography.

Item #5. Discuss and take action to approve the EDC Fiscal Year 2013/2014 Budget.

The budget was not ready for presentation. No action taken.

Item #6. Discuss and take action on how credit checks are to be handled and disbursed.

The directors had received Curtis Webster's printout that explained a credit score. Rankin said this item was on-the agenda because city council wanted to put it on their agenda next week, because the EDC had two loans in default. Goss said it is on their agenda. Rankin asked for the board's opinion on how they should handle credit checks. Damiano asked if the EDC was getting the report from one entity or three entities. At this time the EDC was getting a credit report from Equifax, but no criminal back ground check. Equifax charged \$399.00 for four credit reports on different clients. Damiano suggested using two different companies to pull credit reports. There was discussion on whether the cost of credit checks be passed on to the client. Baade asked if the background check be ran on the business and the

person. Janow thought it would be best to call the bank. Spiegel suggested the EDC do three credit checks, call the bank and charge the client a loan fee. Rankin explained that the council wants the EDC to do more and we will be giving them our credit checks, not that she felt it was the most prudent thing to have all of the reports out there, but the Board would satisfy the council's needs for now. Maybe at some point the council would feel that the EDC was doing a good job and we won't have too. Thompson asked if it could be done in executive session. Boren said the law states that government funds are subject to different criteria than the laws we are used too. The city had a public data system that the EDC could use as a report. He would check on it for the EDC. Goss suggested not funding the loan to the person, pay the vendor instead. There was a discussion on Mansfield's EDC application. Thompson said a lot of our cities send us their financials because we are kind of under the same purview as an attorney. We will get them and put the packets together and send it to executive session. Boren explained that executive sessions are sealed and it takes a court order to open them. Goss said Curtis has a suggested package he wants to receive on any loan project that comes from the EDC. The documents will be submitted to the council and taken into executive session. If the project doesn't have these documents included it will not be voted on and will be returned to the EDC. The package will have exactly what Curtis would like to have. Rankin said it would have been nice if he had addressed it with the directors. Goss said they did in the workshop. It was talked about in the workshop and this is the direction that Curtis would like to see it go. Goss explained that it wasn't taken anything from the EDC. Rankin asked if Curtis shouldn't have been here tonight, he got our agenda, so we could prepare for what he wants-I'm just saying for the record. Goss said Curtis would put the package together and give it to you with the to-do list. Boren and Damiano would come back to the board at the next meeting with their suggestions.

EXECUTIVE SESSION

Item #7

Convene in to Executive Session at

Section 551.072. Deliberations about Real Property

Section 551.072 authorizes a governmental body to deliberate in executive session on certain matters concerning real property. It provides as follows:

A governmental body may conduct a closed meeting to deliberate the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third party.

To be discussed: 1. Old City Hall Property and 2. Project Montana

§ 551.087. Deliberation Regarding Economic Development Negotiations

to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or

(2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1).

To be discussed: 1. Incentive to Chili's Grill and Bar. 2. Parks Construction

Reconvene into open session at to consider taking action on the following:

Section 551.072. Deliberations about Real Property

Discuss and take action on 1. Old City Hall Property.

Spiegel made a motion to set the selling price for the old city hall property at \$405,000 or approximately \$7.00 a square foot. Damiano seconded. All directors voted 'aye'.

Discuss and take action on 2. Project Montana

No action taken on Project Montana.

§ 551.087. Deliberation Regarding Economic Development Negotiations.

(2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1)

1. Chili's Grill and Bar
2. Parks Construction.

Spiegel made a motion to send a letter to Chili's Grill and Bar, in conjunction with the City, offering then a sales tax rebate beyond the current level of sales tax. Boren and Thompson would work on the letter. Cassady seconded. All directors voted 'aye'. Motion carried.

No action on Park's Construction.

Item #8. Discuss and take action to set a time and date for the September workshop. Rankin wanted to set a workshop the first week of September at 5 o'clock. This will be the first of two workshops. The reason Rankin wanted the one in September was so the old members and the October meeting for the new members.

Board of Director Comments.

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).

Adjourn: 7:15 p.m.

Approved by: 
Linda Rankin, Acting President

Attest by: 
Pat Cassidy, Secretary