

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, December 18th, 2012 at 5:00 p.m. Webster called the meeting to order with the following directors present: Baade, Spiegel, Cavanaugh, Rankin and Cassady. Sandy Janow was absent. A quorum was established.

Citizens in attendance: Jamye and Dino Perelli/GBC Music and Jack Thompson/Orasi Development/Gerry Boren/Gun Barrel City Manager

Citizen's Comment: None

Item #1. Discuss and take action to approve the minutes of the regular board meeting of November 13th, 2012.

Spiegel made a motion to approve the minutes as written. Rankin seconded. All directors voted 'aye'. Motion carried.

Item #2. Discuss and take action to approve the October and November 2012 financials.

Cavanaugh had reviewed October and November 2012 financials. He reported assets being up a little, because of expenses being down. November sales tax revenue was up 9.29%. Spiegel made a motion to accept the financials. Cassady seconded. All directors voted 'aye'. Motion carried.

Item #3. Open Public Hearing for Dino & Jamye Perelli, d/b/a/ GBC Music-EDC Project: 005

Webster opened the public hearing. No one was present to speak for or against project.

Item #4. Close Public Hearing for Dino & Jamye Perelli, d/b/a GBC Music-EDC Project: 005

Webster closed the public hearing.

Item #5. Discuss and take action on performance agreement for Dino & Jamye Perelli, d/b/a/ GBC Music-EDC Project: 005

Baade made a motion to approve the performance agreement for GBC Music. Spiegel seconded. All directors voted 'aye'. Motion carried.

Item #6. Discuss and take action on a proposal to create 3 to 5 video testimonials of business owners speaking about how the City and the EDC supported them. (Spiegel)

The proposals with TVTX included Option 1-Shoot HD video of 3 Business Owners speaking about how the EDC supported them; Option 2-Shoot HD video of 5 Business Owners speaking about how the EDC supported them. A 3-5 minute video of each business would be on the EDC website. Web ready version for website embed on thumb drive, DVD master. Baade made a motion to approve up to \$1,500 for 5 video testimonials. Cavanaugh seconded. All directors voted 'aye'. Motion carried.

Item #7. Discuss and take action to approve future park expenses.

Boren had furnished a list of park expenses that was included in the board packet. Boren reported a balance of \$41,322 left from the \$100,000 allocated in 2011/2012 budget for park expense. The 2012/2013 projects included bathrooms, asphalt track, lighting for Tommy Smith Field, upgrade new parking lot, additional landscaping, community center and a nice entryway signs. Spiegel made a motion to approve the expenses as follow: \$14,000 for a tractor (80% Pd by EDC), underground wiring (\$20,000), fence (\$5,000), and water fountains (\$10,000). Cavanaugh seconded. All directors voted 'aye'. Motion carried.

Item #8. Discuss and take action on the performance agreement for EDC Project: 004: Emergicon L.L.C

Rankin had added the following to Exhibit A-Qualified Expenditures: Salaries (6 months) for additional staff to manage new clients. Webster was okay with this addition. Baade made a motion to approve EDC Project: 004: Emergicon L.L.C with the amendment above. Cassady seconded. All directors voted 'aye'. Motion carried.

Item #9. Discuss and take action to approve the purchase old City Hall Property.

Webster said purchasing city hall property had been discussed before. Boren had been to city council with the idea and city council would sell the old city property to the EDC for \$300,000 plus any associated cost with the transaction. (The City nets \$300,000.) Rankin asked about the timeline to buy the property. Boren said it would be a sales contract with Resolutions. Webster said it would be on City Council's January meeting. Spiegel asked if anyone was making a commission. Boren said no one was

being paid a commission for this sale. Baade reported there were actually three parcels. Boren said the first parcel is the old, old city hall where the WIC office is now. There was a person that donated a quarter of an acre of an acre for the city hall and the fire station. There is a law in there that says if it's donated the city has to allocate those funds. If it was allocated for a city hall, it has to go back into city hall. I think it's only allocated for a fire department. Webster said how the city allocates it, we don't care. Boren said the property had never been platted, but he is working on it. The city has a survey and a deed, it just never got platted. The second deed is actually Brawner Hall. They bought the back half and added on to the fire station and paid four thousand and change, but the Resolution states they paid eighteen thousand for it. The last parcel is up front where the parking lot is at., which the city purchased that. It's never been brought together in one big tract. Webster told Gerry to go ahead and order the land to be put in one tract of land. Webster also told Jack he could start showing the property. Boren asked to lease back the fire station until he could build another one. He would need to move everything out. Baade said the WIC building could be used as an incubator for the Boots for Business program. Webster thought the property would be sold in three or four months. Spiegel made a motion to purchase the old city hall property for three hundred thousand (300,000.) dollars. Rankin said if the EDC buys the property and does the PID that would take six hundred fifty thousand out of the million the EDC has. Webster said it didn't have to say when the EDC would close on the land. Rankin asked if council new that. Boren said he could go back to council to delay payment so the other projects could be worked out. Cassady seconded. All directors voted 'aye'. Motion carried. Evans mentioned to everyone that there were time capsules buried around Brawner Hall. Webster suggested getting the information necessary to move the time capsules and get it done.

Item #10. Discuss and take action on EDC Marketing.

Thompson informed the directors that Marty Goss was in negotiations with Car Sellers to buy the 13 acres in Heritage Cove. That was a good break for the EDC. Goss was okay with being a participation in the PID. Boren asked if the City would be responsible for the maintenance of the PID five or ten years down the road. Webster said the PID would provide for itself. Boren said it needed to be a PID bond as well? Thompson said the PID would issue the debt. It will be up to the PID to reimburse based off the assessment of the property. Boren said he was used to seeing two PID; a maintenance PID for assessment of property and another assessment for roads. Thompson said the way the PID was designed the EDC would issue the three hundred fifty thousand up front. The PID would start collecting after two or three years. After the PID collects, it will issue debt to reimburse back the EDC. Basically the PID is established to pay off those debts. However, Webster said, each property owner, if the property sales, pays off their allocation. Boren said the city attorney would have to bless the PID and that he would get it to Julie as quick as possible. He didn't want her to be blindsided before she goes to city council. Thompson said they would set down the first week of January and go over the PID with the City Attorney. Boren said the city usually does the administration of PID in-house. Webster said Thompson was the administrator of the PID and they bother the city employees. Boren said at that point, Thompson would be the administrator and be underneath the City. Webster said you wouldn't want to tax a city employee with this PID. Boren said normally I'm used to hiring a CPA to come in and do the PID books. Thompson said they would deal with the books, the contractors and all the steps. We will get them audited. Boren said one of the things he was trying to grasp is usually when he sees a PID come before a governing body; they set the assessment rate at that time, because you are adopting a PID at a certain rate at that time. Thompson said that is one of the conditions, you have to tell them what they are paying when they sign the petition. Boren said so to validate the numbers, there is a process, a balancing process. Checks and balancing that is usually from a PID board to a city validation process. That's what we've got to talk about; somebody has to check your numbers, usually it's an engineer. Thompson said we will get the bids, work with the PID Board, and they will approve the bids. Boren said then it comes to city council to validate those numbers; that's your checks and balance. Thompson said we can send it to council at this time, but as long as we stay in budget, we should be ok. The City of Ft. Worth doesn't care as long as we stay in budget. Boren said everything that is done will be rechecked by the city engineers which will cost another fee. He was meeting with another consultant tomorrow to help me understand. She is an accountant. I just want to be comfortable with this PID.

Orasi had created a promotional piece to send to prospects to purchase the site from the EDC. Baade asked what the price of the property would be marketed as. It was suggested \$10.00 a foot. Would it be best to clear the property? A for sale sign would go up immediately.

Thompson and company are still in the process of rescheduling the meeting between ETCOG and EDC leaders.

Thompson is assessing the opportunity to transform the pavilion and park complex into an entertainment

and recreation center that will attract residents, weekends and citizens in nearby communities to visit the city and patronize its businesses. Boren said that since the park is part of a grant, any transformation would have to go before council for approval.

Board of Director Comments.

Baade had been in contact with the guy from Alaska, but was informed that no decision would be made until after the first of the year.

Rankin has invited Connected Texas, the Federally sponsored organization whose function is to go out into the rural areas and help them improved their broadband capabilities, to make their presentation to the EDC board in February. She suggested inviting all the area EDC's to participate. It was a free presentation.

Spiegel had attended a Texas Rural Workshop in Fredericksburg, Texas. He learned that GBC is unique, because of its dependence on sales tax revenue and the city being a young city compared to other cities in Texas.

Adjourn:6:35 p.m.

Approved by: _____
Steve Webster, President

Attest by: _____
Pat Cassidy, Secretary