

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

The Gun Barrel City Economic Development Corporation met in Regular Session at the office located at 1720 West Main Street, Gun Barrel City, Texas, 75156 on March 18, 2014 at 5:00 p.m. Rankin called the meeting to order at 5:00 p.m. with the following directors present: Cassady, Osborne, Damiano, Braswell, and Janow. A quorum was established.

Citizens in attendance: City Manager Gerry Boren, Councilman Dennis Baade & Marty Goss, Jack Thompson/Orasi Development, Connie Holubar/Outreach PR, citizens Carol Strickland, Travis Tarlton and Ron Wyrick.

Citizen's Comment: None

Item#1. Discuss and/or take action to approve the minutes of the regular EDC meeting on February 18, 2014.

With no discussion, Cassady made a motion to approve the minutes of February 18, 2014 as provided. Osborne seconded. All directors voted 'aye' Motion carried.

Item#2. Discuss and/or take action to approve the February 2014 financial. /Cavanaugh

The budget had been revised with the addition of Town Center Development and removal of funds from Heritage Cove Incentives line item. It would be presented to council at their March 25th meeting. Cassady made a motion to approve the financials as presented. Damiano seconded. All directors voted 'aye'. Motion carried.

Item# 3. Discuss and/or take action to approve the February legal fees. /Cavanaugh

Rankin was not sure of Cavanaugh's issues with the February legal fees.

Evans: He was pretty upset about last month's high legal fees and this month we did. I do not know exactly what he wanted to point out, but he wouldn't sign the check.

Rankin: Do we need to do something so you can pay the bill?

Evans: It's on the agenda. Does anyone have a comment on the legal fees?

Damiano: My understanding is one of them was the consultation with the attorney relating to the attorney general. I think that you initiated one of the other things was the Lake Escape cost which a couple of us initiated and I'd kind of like to come back to this later.

Cassady: It's all laid out in here how many hours. It was 1400 hundred for the month.

Damiano: We will come back to that later.

Rankin: We need to approve the invoice so we can pay it.

Braswell: Did we authorize him to do everything that he has billed us for?

Damiano: Which we probably did.

Cassady: Yeah, so I make a motion that we pay the bill. Osborne seconded. All directors voted 'aye'. Motion carried.

Baade: The legal fees are over budget right now for the EDC and I think if they get more than ten thousand dollars I think you have to go to council for more.

Item#4. Discuss and/or take action to approve the purchase of the MuniServices invoices from 2012 on agenda.

Rankin: What occurred was there was an invoice that came in for 2012. Have you seen the MuniServices? Do you know what that is? It's a book that tells what the sales tax was paid to the City.

Boren: We get a report from Municipal Service who does the Stars Report. It's an analyzed report that tells what business has paid and how much. The law is very specific that only three people can see this report which is the City Manager, Mayor and City Treasurer. The EDC uses it as a tool to valid what their sales tax are. (He gave Huddle House, Denny's and the cinema as an example)

Rankin: He can't tell me the number, he can only validate.

Osborne: Is this the only place you can get this information? No one else would give it to you?

Boren: Pretty much. We get it from the State. This company monitors and analyzes the reporting. We do a zip code drop and if this business is coming in, if it's not in our sales tax then we contact them. We are doing QVS.

Braswell: The tax dollars you get from the State supports the report that is sent on to the city.

Rankin: Right, if we wanted to do an incentive for a large company coming in and if they were inflating their numbers we would be able to check with him.

Damiano: We don't get it from the State; MuniServices gets it from the State?

Boren: They get the data from the state.

Damiano: They get the data and that shows what he entity pays in sales tax and then we do the math and figure how much we should have gotten or is the math already in there?

Boren: The math is in there. We look at trends as well and on the budget we said most likely and that's from a five year data point.

Osborne: You couldn't pick up the phone and call your buddy in Rowlett and get that information.

Boren: Oh no, that's the law.

Osborne: OK, that's a good point.

Braswell: The question on the table is do we pay this.

Rankin: Here is what was initially agreed upon. When it first came out, came to the board it was going to be split between the city and the EDC. Last year we paid for the whole thing.

Boren: What we are doing is paying for the Hotel Audit. The Stars report was coming from y'all, the rest of the bill comes out of the city's fund.

Rankin: So the invoice that we have now for 2012.

Boren: Denny was the EDC Treasurer then.

Baade: That's the way it was set up.

Evans: The issue came up in the beginning of 2013. You all put it in the 2012/2013 budget. When the invoices came in for 2013, Steve was still here, they were for 2012 and he would not pay them, because they were a year old and we didn't have it in the budget. So he said he was going to talk to you (Gerry), but whether he did or not, I don't know. I never heard anymore about it until March 2014.

Rankin: We need to make a decision tonight as to whether or not we pay the entire invoice or we split with the City.

Boren: The bill has got to be paid.

Rankin: I need a motion from the Board.

Evans: Also the money that is in the budget is for one year. If we pay the 2012 invoices we will be over if we pay the 2014 invoices.

Damiano: Are we budgeted for that?

Rankin: Yes.

Cassady: Did we pay the 4th quarter of 2012?

Evans: Yes.

Cassady: So there are 3 quarters that is owed.

Evans: \$3,750.

Rankin: My suggestion would be since it's an old bill, we have to pay it or split it.

Damiano: The total is what? I thought that was for the year.

Evans: The 2012 is \$3,750 that is owed.

Rankin: Because we are going to be over our budget so if we split it we will be splitting the cost. We already have it in the budget to pay for it this year.

Braswell: Rita is saying we are not paying the 5400 hundred totals.

Rankin: Only for these invoices.

Braswell: Which is?

Rankin: \$3,750.

Evans: I've got three invoices.

Braswell: So we need a motion on the table to pay half of \$3,750.

Rankin: Repeat the motion.

Damiano: Gerry, you pay for the Stars Report? Hotel Occupancy tax?

Boren: I pay for the audits and the hotel audits.

Evans: \$750.00. I don't know how much it is a year, but there was a bill for \$750.00 that came in on the email.

Boren: The \$750.00 is for the audit for the hotel. I don't know-.

Damiano: Is that the annual cost?

Cassady: That's what the minute's state, \$1,500 for each hotel.

Boren: There are five hotels.

Braswell made a motion that we pay MuniServices half of \$3,750.00 as billed and we will split that with the City. Cassady seconded. All directors voted 'aye'. Motion carried.

Item# 5. Open Public Hearing for Lake Escape-EDC RBEG Project 2014-001.

Rankin opened the Public Hearing for Lake Escape. There was no one present to speak for or against the project.

Item# 6. Close Pubic Hearing for Lake Escape.

Rankin closed the Public Hearing.

Item# 7. Discuss and/or take action to approve the Lake Escape Performance Agreement.

Rankin asked for question on the project before the motion. There were no questions.

Damiano made a motion to approve the Lake Escape Performance Agreement as written and fill in the blanks on the Henderson County lien related to the original note. They need the dollar amount on the note, they need lender and we can get that to fill in the blanks.

Braswell: Can we make a motion like that to fill in blanks.

Damiano I make a motion to approve the Lake Escape Performance Agreement.

Rankin: I want to be sure we are all on the same page with what we are approving. We are approving the performance agreement with Exhibit D included. Is that correct?

Damiano: Yes.

Rankin: And who is going to fill out the Exhibit D?

Damiano: I'll take care of that. It's just a matter of getting the information from the title company.

Rankin: And who does it have to be filed with?

Damiano: Henderson County.

Rankin: All you will do that?

Damiano: I'll do that. So would you repeat your motion?

Cassady: Hang on one second. I've got one question. We do say in here the bar will report a number of full time employment positions working at the property. The question is they're saying they are going to have seven-I thought there was some discussion that they probably wouldn't have seven. Can they comply with that which is part of the RBEG?

Damiano: Yes they can comply with that over the course of the first year.

Cassady: Full-time, not part-time.

Damiano: Seven FTE.

Braswell: One person for every \$10,000.

Rankin: And he is going to be checking on that.

Damiano: They have to file it with the board.

Cassady: Mike Howell.

Rankin: So can I have a motion one more time.

Damiano made a motion to approve the Lake Escape Performance Agreement. Braswell seconded. Cassady, Osborne, Damiano, Braswell and Rankin voted 'aye'. Janow voted 'nay'. Motion carried.

Item#8. Open Public Hearing for Town Center Development-EDC Project 2014-001.

Rankin opened the Public Hearing for Town Center Development. There was no one to speak for or against the project.

Item #9. Close Public Hearing for Town Center Development.

Rankin closed the Public Hearing.

Item#10. Discuss and take action related to the purchase of land proposed for the extension of Heritage Cove to link with Harbor Point/ Jim Cavanaugh/ Task Force

Damiano directed everyone to the map in the packet that shows how Heritage Cove could be connected to Harbor Point. Cost of the land would be \$12,000 purchase price. Keep in mind that this is not an executed contract. It's not an executed contract until everyone signs it. Once we get to the point where we are about to execute the contract we will move out the closing date to 90 days from the date of execution. We have 90 days to back out of the deal and the original contract called for 60 days to close. The numbers do not match up. Are there any questions on that?

Rankin: So, if I'm correct this is only a pending contract to hold the land while we do our study.

Damiano: While we do our due diligence, yes. And we need some information from Gerry relating to the engineering and a few other things. All we are doing right now is approving the contract so that we can get it executed and begin the other process.

Janow: Was there any monies offered to be deposited for this tract?

Damiano: Not yet, we haven't executed the contract.

Rankin: And when do you have to put the \$500.00 dollars down?

Damiano: By execution, in other words after it's signed by you and approved by City Council.

Rankin: And that would be in ninety (90) days.

Damiano: No.

Rankin: Because right now it's a pending contract.

Damiano: It's a pending contract until you sign it and City Council approves it. Is that correct?

Rankin: That's not the way I understood it.

Goss: No, it's not a pending contract until both parties sign and it's been executed. Right now what will happen, because it's gone back and forth-some changes, that's why the closing date of May 14 will most likely have to be extended out. There was a 60 day option period put in for the contract for which in turn we could get-go to the probate court, we could get the Phase II report and the other studies we need so that if it cost too much we could back out of this. You would not have to put up the \$500.00 until it's approved by y'all and it goes to council for approval, then you would bring it to Linda for a signature. We would change the dates, she would initial them, any changes that have been made and we agree to submit it back to Mr. Groom and the moment he signs and initials any changes that we've done then it becomes an executed contract and we have two days to put the \$500.00 into escrow. Then it's an executed contract.

Rankin: And what if we have to change the parcel of land? Let's say that where you've selected the twelve acres to be is not the correct location.

Goss: That's why we've asked for the Phase II report to be done. He will tell us what it will cost to put it there, here and what will be the most efficient way to do it. And if it's too expensive and we have to go the other way and that's the only way we can do it then we will come back to the EDC and say this is what we found in our report once it goes to the task force, we bring it back to the EDC board and say this is what we found. This is our recommendation. You either go with it or you say no. If you think it's too expensive to do, then you kill the contract and the only thing we lose is the option money.

Damiano: Let me ask you a question. Based on what you just said is there more information that we don't know as yet based on the discussion. OK.

Braswell: You are not hiding anything are you?

Damiano: That's not what I'm saying at all.

Rankin: I know you're not. I have just one other question and that was why are we putting this contract on the land prior to the feasibility study?

Goss: In order to do the feasibility study and spend the money from the city, you can just spend money out of your money or ours doing these things without an obligation to the land to do it.

Rankin: Ok.

Damiano: It buys us time to do due diligence.

Boren: I can get on the property and right now I have no legal way to be on the property.

Rankin: Let's move on. Do I hear a motion?

Damiano: I make a motion that we approve the land purchase contract in relation to Town Center and Heritage Cove so we can move the project forward. Braswell seconded.

Rankin: Wait a second. Wait a second. It needs to be based on the survey recommendations, don't you think? So that if it does-if the survey were to come back negative and it needs to be somewhere else then we don't have a motion on the table that this is still going through.

Goss: Can I answer that?

Rankin: No, let him finish.

Damiano: The time period in there to do our due diligence buys us the time to back out of it. It allows Gerry to get on the land.

Rankin: Let's make our motion to say that so it doesn't sound like we are moving forward.

Boren: Can I make a recommendation?

Rankin: Yes, please.

Boren: What if you make the motion to do a pending contract based upon the Table II Engineer Study reporting and recommendations from the City's engineer.

Damiano: Does that give you what you need to get on the land.

Boren: It will give me everything I need to get on the property to do the studies, to do the topo and stuff like that. You are asking for a report coming back from the city engineer.

Rankin: So Gerry could you read that to Gary?

Damiano: So the motion is approve the pending contract based on the Table II study.

Boren: We are going to recommend to you where the road moves left or right or the task force. Marty is shaking his head.

Goss: My suggestion is and this is strictly has an agent and I've dealt with these contracts before, the contract gives you the freedom by that option period to walk any reason under the sun. You do not have to give a reason. That option period allows you walk just because you may get up on the wrong side of the bed that morning, I don't want to do it. I mean you don't have to specify that, because it still has to come back to your board for final approval anyway. But the option period that is put in the contract gives you blanket to walk away for any reason. If this board doesn't want to approve it they don't have to.

Rankin: Ok, just a minute-.

Boren: I think the motion comes in here. What you are looking for-.

Rankin: I've got a clear motion.

Boren: I agree.

Damiano: I'm trying to figure out the wording is on it.

Boren: You are going to do a pending contract pending the studies.

Damiano: A Table II Engineering Study.

Boren: That's fine.

Damiano: I make a motion that we approve the pending contract subject to Table II Engineering Study and recommendations. Braswell seconded. All directors voted 'aye'. Motion carried.

Item#11. Discuss and take action to approve Denim and Diamond Sponsorship. /Osborne

Osborne: In the past, from what I understand the EDC is taking a table, a \$1,000 table which is four tickets. This event will have 250 people from all different counties down. It's just good marketing. I propose that we spend a thousand dollars, which gives us four tickets to Denim and Diamonds.

Cassady: It looks like \$1,400. Rankin: Is there a table for eight? Is it the \$1,400?

Osborne: We only did a thousand last year.

Rankin: We are doing a table-if this were to pass-how many of you would want to use those tickets. Braswell & Osborne had taken care of their own tickets. We will draw names between the remaining directors. I need a motion.

Osborne made a motion do the \$1,000 tickets for Denim and Diamonds which include the four tickets for the 28th of March.

Cassady: That comes out of the marketing budget, right?

Osborne: Right.

Cassady seconded. All directors voted 'aye'. Motion carried.

Item# 12. Discuss and/or take action regarding whether the EDC should use LoopNet. /Rankin

Rankin: We have three invoices. We have discussed Loop Net extensively so tonight I'd like to get a motion whether or not we will pay the three invoices and continuing using Loop Net.

Damiano: There are two different issues there. We've got to pay the invoices and the other is should we continue using Loop Net. Does anyone know what we've had in response?

Rankin: Nothing.

Damiano: Nothing at all?

Rankin: No.

Damiano: Does anyone know if-is Loop Net the problem, is it the product, the price? What's the problem?

Rankin: I don't have a problem with it. I like it.

Damiano: The product. Is the product we are trying to sell? Or is it the price?

Rankin: It's the location.

Damiano: The location.

Rankin: We are in Gun Barrel City, rural America. Most people aren't looking at rural America.

Damiano: How much of the problem is marketing, if any?

Rankin: On Loop Net.

Damiano: No.

Rankin: We all know we've got marketing to do.

Thompson: It's not uncommon what you all are experiencing on this property. We've seen it in a lot of the outer loop areas. Right now the inter loop areas are really the hotter spots. There are so few retailers, especially the bigger boxes doing things. It's just a narrow pool right now or people looking. It's mainly fast food and dollar stores and grocery stores are the biggest users we are seeing. And with it being a two acre site, it limits you to fast food or a quick set down. That's kind of what you are seeing. As far as Loop Net goes for the last thirty (30) days, you were displayed in 575 searches which resulted in fifteen (15) people clicking on the site. In the last ninety (90) days you've had a thousand nine (1,009) and additional thousand nine looked at the site and sixteen (16) clicked on it for more information. The last hundred and eighty (180) days, seventeen hundred (1,700) times it showed up in the site.

Damiano: What have we had in actual inquiries? That's not a shot, that's just a question.

Thompson: We haven't had any. Now what we do is we've made six phone calls to direct retailers. I've got a guy that develops several fast foods and I put the site in front of him. Frankly I've put the site in front of every one of my buddies that does either banks, fast foods or dollar

stores. They've all taken a look at it and they've all said no. I've still got a couple out looking at it.

Rankin: Let's get back to Loop Net. We have three invoices that's \$100.00 each that need to be paid. I would like a motion to approve those first.

Damiano made a motion to pay existing Loop Net bills. Cassady seconded. All directors voted 'aye'. Motion carried.

Rankin: I'd like a motion as to whether or not we move forward with Loop Net.

Cassady made a motion to extend Loop Net for another 90 days. Braswell seconded. All directors voted 'aye'. Motion carried.

Item #13. Discuss and/or take action regarding any issues related to completing the Business Park Feasibility Study.

Rankin: Jack and I are both going to comment on that. When the business park-we were having issues trying to find the land on 334, between 198 and 175. It got to the point where I called Robert Blasse and he did a mail out on Friday to all of those property owners along 334 between 198 and 175 to see this week if we might one more hit of someone willing to sell. But so far we are not coming up with that second spot out there that we hoped we could find. With that said we only have one site right now that has the potential and that's 175 were the crater is. When I got to looking at the map and discovering that we were so closed to utilities in that area if we go toward Eustace, ask them to help us, that we could certainly save some us some money and they make some money off of our business park by selling us our utilities. So I contacted the Mayor of Eustace of they were more than eager to assist us in that venture and see what we could do about going forward. I haven't had any more contact with them until I brought this to the board. With that said, that would mean right now we have only one location for a feasibility study. I do not think there is another one out there for us to look at.

Thompson: You know, last meeting when we presented the sites most of them were called quote 'interior', which were kind of on the left of 198, sites east of 198 and really, you know, if you, interior sites are a little difficult in that they really can't be big industrial park sites or big business pad sites. So they didn't seem, just based on the reaction so far, it just seems farther out east seemed to be the preferably spot. And like Linda said, on the south side of 334 out that way there are so many small parcels that you are looking at as assemble. An assembly of property can be a royal nightmare.

Rankin: And not only that they were more expensive.

Thompson: And they tend to be more expensive. On the north side nobody has officially listed their property that we could find. We did talk to a Mr. Sloan that owned 900 acres on the north side of 334.

Cassady: It that your #5 on the report.

Thompson: We talked to Mr. Sloan and asked him if he was interested in selling. Was it an option? He said well the door is cracked but not by much. He just really didn't seem willing to sell. He would entertain an offer, but we didn't want to go to him with any firm offer, because we didn't know if this was a site that we wanted to look at. Frankly, folks that aren't in the mood to sell or we don't know if they want to sell, we didn't want to go with some kind of offer. One, we aren't authorized and two I didn't want to go down that trail with them unless we were really

serious about it. We kind of just left the door open. That really leaves this intersection here, but you've got power lines issues that run right through the middle of that property and kill off the developable land. The crater site had some opportunities, but we would have to infill part of the lake inlet. From a business park stand point, it's a great location being on the 175 corridor, lots of traffic, distribution and it's got land available if we need to expand.

Braswell: You haven't gone as far what it's going to cost.

Thompson: No, because once I get the engineers started, we're budgeted for them to do two site analyses so I don't want to start the meter with them until we are certain that those are the two sites that we want to have them examine. So that's why we wanted to bring it to y'all. Now is the good time discuss all of this, talk about it, and narrow it down. And get the engineers started on the final evaluation.

Rankin: I wanted to add we've had a couple of opportunities move past us because we didn't have that warehouse or that large space available. The brewery being one of those, Texas Ammo was one of those. There has been a number over the last few years. So what I would like to think that we are going with a light industrial park and 175 is an ideal location to keep the big trucks away from the downtown area. And if you would like to go ahead-right now we have nothing on 334 and get a feasibility started we could do that.

Boren: I need three pieces of paper.

Rankin: I know you do and I understand you do and I want to help you. Tonight I would like to get your blessing whether or not you would like to have us work with Eustace, because the utilities are out there and we wouldn't have to pull those in from Gun Barrel. It would be a win-win for both of us.

Osborne: That's regionalization.

Rankin: I agree.

Braswell: With the plans going on for Town Center and task force working toward that to get that rolling, roads and everything else it comes to a point if the contract is initiated and we buy the land and we start building the roads. That road, you are looking a million and a half to build that street. You've got a million and a half there, how do you get all of this funding to do all of these things. Where is it coming from? Where is the budget for the streets in the City of Gun Barrel right now?

Rankin: Well here is the funding. If you don't mind, I'll explain.

Boren: You can do a good job of that.

Rankin: Ok, I've done it enough. The City and Dennis thank you for your input today. The City has an income of about a little less than five hundred thousand per year that they allocate to road improvements or to putting in a new road. So you've only got a five hundred thousand a year for the City. So any road work that you wanted done in a short amount of time would have to come from the Texas Capital Fund or an EDA grant or we have to wait for three years to be able to put in a decent road.

Braswell: Home Town Center?

Rankin: Home Town Center, I did the numbers on it, depending on if it's two lane or three lane and I was thinking in terms as it is today with concrete and looking like the rest of area and that road if it was a three lane came in over two million. So you would have to have the time to build up your capital to be able to put that road in. Now you can go cheaply but then you have sort of

defeated your purpose if you want a vision achieved. If you are not going to achieve your vision why do it right now.

Braswell: So do we-it seems like Town Center was on the docket first to move forward on. Can we afford to jump into the middle of this other?

Rankin: On the business/industrial park we've already looked at the EDA grant and we know we can get infrastructure financing. The purchase of the land would be our biggest cost. Hopefully our tenant, whoever we have anchoring it would have some interest in helping put up maybe the first slab or first building. But there are some options there.

Boren: The grants will be-that's why I say I need three pieces of paper. We've got to apply for the grant then the EDA will come back, administration will come back and say Gun Barrel City you qualify for-we are going to pay for 90% of the utilities. And then we go out and work on the other 10%. Right now without the feasibility study we don't even know what it is. You wouldn't see an EDA grant impact this city realistically three or four years out.

Damiano: And that's for the industrial park?

Rankin: Right.

Damiano: Not the Town Center. I'm just clarifying.

Rankin: The EDA is Enterprise Development grant.

Damiano: OK.

Braswell: So if it pertains to a business industrial park that plot of ground is our best choice. Correct?

Rankin: The crater?

Braswell: The way it stands right now.

Rankin: Right now it is.

Damiano: Jack said something. He said they haven't made an offer to the person? Are we buying the land?

Osborne: No

Damiano: Is that our intent that we buy the land?

Rankin: Yes.

Damiano: What is the price on that?

Thompson: I don't have it in front of me.

Rankin: Right now I think we are the point of a feasibility study to even see if we want to do it on that piece of land.

Damiano: I'm not arguing that.

Rankin: I haven't gone into how much it's going to cost.

Braswell: How much does it cost for a feasibility study?

Rankin: We've already done that.

Braswell: We just have to tell him where we want it.

Rankin read the agenda again.

Rankin: I would like to know if you would like to go ahead and have them start the feasibility study on the 175 acreage.

Braswell made a motion to move forward with the feasibility study on the crater property.

Rankin: Even though we don't have two sites right now let's go ahead and get started.

Braswell: and pursue Eustace to how far they would go in helping with that.

Motion: Braswell moved to move forward with a feasibility study at the property on 175 and 334 known as the crater and we also pursue our contact with the City of Eustace to see how much they would join in the joint venture. Osborne seconded. All directors voted 'aye'. Motion carried.

Damiano: I have a question for Gerry. This has nothing to do with the motion. If we partner with Eustace is there a possibility that they could pick up some of the infrastructure cost?

Boren: We will tie all three into the grant.

Rankin: I did talk to the Mayor about it and she was excited about it and she said the council or whoever they've got in there government would be happy about it too.

Item# 14. Discuss, Update, and take action related to Emergicon and their needs to expand office space.

Rankin: Let me just say one word first and it will be short. I just wanted you to know Jack and I have been in constant communication with Chris Turner since our last EDC meeting. They've met with Jack again a couple of times and so he is going to give a report on what he has found out.

Thompson: Like Linda said, we met with Emergicon and we took time to drive Chris Turner, the owner of Emergicon around town. We wanted to visit multiply sites throughout the city. We took them by the EDC owned property, two sites in Heritage Cove-back in the back toward the 13 acres and the property behind Sears. Then we went down 334 and looked at the southern sites on 334 on the east side of 198 and also on the north side of 198 and we also drove the crater site. Fortunately I drive a pickup so we were able to actually drive on the site. We did take time to drive all the property and we took our time. Our goal on this thing was to let him examine all the properties, spend as much time as he wants, because we generally want to know exactly which property he likes best. He liked the 175 at 334, the crater site, for business park purposes he still liked that. Out of all of them for time expediency his favorite was Harbor Point and Main Street. I think- if well- if there was a better sense of where the industrial park was going there might still be some interest in that. So then the question became is it something you want to buy and build on your own or do you want to lease? He asked us to draw up some ball park numbers so Lance drew up some ball park numbers. We went back and met with them. And really he does not want to own. He made that abundantly clear; that's off the table. He wants to lease. That's very understandable being in the position he is in. Being a fast growing company you don't want to eat up all of your time and equity in property. We did get a feel for the size of the space. He really needs twelve thousand right now. He would like a building he could expand into; eventually twenty thousand square feet. What Lance and I have been examining since the last time we met we've been working up what the cost would be on a building, what kind of lease rates we think that would be. We've been bouncing lease rates back and forth with Chris to get a ball park figure. Right now he's got a nice lease deal. So we've been going back and forth on that. What would a twenty thousand square foot building look like? What other kind of tenants, he can't guarantee taking down twenty thousand right now. He'd be twelve thousand, so if you go for twenty thousand square foot building you'd have to figure out what other tenant might be available. We've got a couple of folks that have developed office buildings who would be interested in building a building for us. It's just a matter of trying to figure out what we've got.

Rankin passed around pictures of a simplistic two story building.

Thompson: What would be nice is to see if you guys would be interested-he would like to see elevation and a basic site plan of what might a building look like out on this property. And one of the thoughts was to see if y'all would be willing to pay a local architect to maybe draft up a site plan and an elevation. We've toyed around with a couple of different ideas, a two story mixed use building doing two floors at twelve thousand square feet each and that way on the bottom floor you could lease some space to restaurants or retail and do office on the first floor and have them all on the second floor. Another option would be just a one story building that's mainly an office. So there are various options we can look at pursuing. A question also arose could he expand in his current facility? It's really not possible. He is surrounded on two sides by the hotel and naturally Main Street in front of him and he has another development on the other side of him. And he's already expanded the facility once. It used to be a bank and in fact when you walk down one hall you can see the teller windows at the drive thru. So he has expanded all he really can. Even if he went vertical he'd still have parking issues. So if he doubles in size he wouldn't have anywhere to park. So we really need to look for-

Rankin: One other thing I'll add is when we talked to him we also talked to him about purchasing the two acres behind old city hall. Then he would have a hundred parking spaces as well as a two story building. Today he said he saw himself being on the top floor of the story building being able to grown down to the bottom floor. And he said I would hope that maybe some of the attorneys, CPA, realtors and the insurance people want to go into a new building on the bottom floor.

Rankin: So he sees it as a professional office building.

Osborne: I like the two-story if we could put the architecture like we have them at City Hall and tie all this stuff in. It just makes since to do two-story on the other property back there.

Thompson: The biggest thing I think, the next step is to get an architect to put a site plan basically together and maybe an elevation to a building. That way he gets a better idea of what we are thinking about to lease it to him.

Rankin: The problem we have right now is that we have to have a company like you've spoken to, to go in and do the build out.

Thompson: We have some guys like that. Their hesitancy to start spending money right now is they're not sure how solid the deal is.

Rankin: I talked to Chris today, because I was concerned about that myself. One of my biggest concerns is if you get a Houston, Dallas or El Paso that they're going to give you an incentive to move away. He (Chris) assured me that they do not want to move away, that they want to be here, because of the low overhead, his office manager lives here. They don't want to have their business split, because they all have to work in tandem. So we have an opportunity here to keep a good company.

Osborne: It's good he knows that. That's a major deal when you say you're going to move and your three key people don't follow you, you're rebuilding.

Rankin: So tonight, what I'd like to do is I wanted to update you on where we were. We really aren't ready to take any action, but I wanted you to know where we stood. We need to continue working with Chris. Come up with some more ideas and we will keep coming back to the board.

Braswell: I got to clear my mind. When you start out saying Harbor Point Rd and Main Street are we talking Town Center property? Are you talking about the old city hall?

Thompson: Old city hall property is his first choice. And we did go and look at two properties in Heritage Cove or Town Center.

Braswell: What was their feeling about Town Center? What didn't they like about that?

Thompson: Well he thought Town Center was nice. To him it just seemed more entertainment, restaurant, retail focus than office.

Rankin: In fact he said that twice to me. He said I don't know why you would want us in there. He doesn't see himself in there.

Braswell: I think it was discussed in the task force meeting they would be-if Emergicon came in there they would be the corner stone of that development. With the people they employ and you turn it into the professional building you are talking about and you're going to have built around it-it's like any other city that has a building like that you're going to have support businesses, restaurants, whatever.

Thompson: We pointed that out to him. That was fully discussed. You know you would be the office component which helps the restaurants with the day time. And I think the other thing that appealed to him about this (crater site) over Heritage Cove was the visibility. It's right on the corner. I think he really like the thought of having a two-story building that sets the tone for Main Street.

Braswell: I like that because it helps us get rid of that piece of property.

Rankin: He also said that they were going to be doing training classes and he wanted it to be able to get to it easily.

Damiano: Has there been any discussion about who buys the property? Does the developer buy the property?

Rankin: We don't know yet.

Osborne: Do you want to have more of the EDC council people in with these talks with you?

Damiano: I think you should.

Thompson: No, I'll say right now.

Braswell: Looks like they've gotten pretty far.

Thompson: Too many cooks in the kitchen and everybody start's tripping over everybody. You need a point person. If you don't want it to be us; you need one point person to talk to them. You know if you want to switch pitcher that's ok.

Osborne: No, oh no.

Thompson: Two many cooks in the kitchen just starts tripping over each other. I've had this happen to me in the past. We just have too many people asking too many questions. You're the board. We have no authority to make any kind of decision. I have to come to you with everything and I take my marching orders from y'all so.

Braswell: From everything I hear sounds like Chris is comfortable with what y'all did.

Osborne: I'm for that because the last time we had this conversation you were standing over there and we didn't know anything other than rumors that he was interested. You guys were taking the train all the way down the track so I'm just saying do you want anyone to carry water or anything?

Thompson: I think between Linda and I think we've got it.

Osborne: I'm tickled to death on the report we got tonight.

Rankin: At this point we're really not to a point where other people can pickup other things.

Osborne: I understand

Rankin: We really aren't.

Osborne: I'm in on that. If you want more help fine. If you don't you're not hurting my feelings. I think you guys have done well.

Rankin: If you have questions or you want to ask more or give me ideas I don't mind.

Osborne: Right.

Rankin: I have a phone y'all can call me. Item 14, are we finished now? No action was taken.

Item#15. Discuss and/or take action on marketing EDC property.

Rankin: If we were to use our old city hall property then we would have one other property we would be marketing. That would be at Church and Luther.

Damiano: Do we have a price on that?

Rankin: Yes.

Damiano: We do?

Cassady: I don't remember what it is.

Damiano: I went looking for it one time and I couldn't find it.

Cassady: That was a long time ago.

Rankin: I think what we came up with was-

Cassady: I think it was sixty.

Osborne: To ninety or something.

Rankin: We doubled it because we are putting in a fire lane for Country Place Estates and we are doing improvements for the road so the price of the property will be going up in value. So a hundred and fifty is where we will be once we get the road in and the fire lane in. Isn't that what we discussed?

Boren: At the hard corner because it's going to tie into Bar H Estates once we are complete.

Rankin: It will already have the sewer, drainage and everything. We had been talking about trying to get a flyer or something sent out to all the commercial realtors so I put this back on here tonight to see if you want to take action to do anything.

Braswell: At the last meeting we talked about turning this over to local commercial realtors, didn't we? Not this particular property, but some of the property.

Rankin: But now that we have an opportunity pending on the old city hall property that was our biggest concern at the time. Any motions? Any ideas?

Cassady: On the other property do we have-we've got a sign on it currently. Is that right?

Rankin: And you can see it from 334, but it doesn't read on both sides.

Braswell: At this time we aren't marketing it anyway?

Damiano: The sign says contact who?

Evans: The EDC.

Damiano: Have we had anything on that?

Evans: No.

Braswell: Turn it over to professionals.

Osborne: Absolutely.

Braswell made a motion to turn it over to a commercial realtor.

Rankin: Okay, let's talk about the motion. We have to decide how you want to select your realtor.

Damiano: How many commercial realtors are there in town?

Braswell: Three.

Damiano: Draw them out of a hat.

Cassady: There are only two that we can select from, right?

Evans: True.

Braswell: They being who?

Osborne: You can't do Curtis because he is on City Council.

That left Stan Fernald and Robert Blasse.

Braswell made a motion that we turn the EDC property over for marketing and discuss that marketing plan with Stan Fernald of Johnson Monroe. Cassady seconded. All directors voted 'aye'. Motion carried.

Item#16. Discuss and/or take action regarding spring workshops, tradeshow and contacting prospects.

Rankin had prepared a list of the workshops, and tradeshow that were coming up this spring.

Rankin: We all are signed up for workshops, except Jim Osborne and Sandy Janow. So we all know what we are doing in that regard. The Bisnow, we had talked about it at our previous meeting. We have the Hospitality on March 19th. The industrial summit was on Tuesday, March 26th. I wanted you to be aware of these two because the one time that I went it was packed and it's a real good way to rub elbows with the right people.

Damiano: Can someone refresh the board to what that's all about?

Thompson: Bisnow is kind of a networking event based around a certain industry. What they have are generally large development companies come talk about the industry. You will have hotel executives coming in tomorrow and here's what we are seeing in the industry. Here's our expansion plan. This is what we see for the industry this year, the next few years. It's fairly informative. It's a good way to network. I've met a lot of good contacts. It's like anything else; it's good as you make it. So if you're outgoing and introduce yourself a lot you will get something out of it. You have to be a chatty Kathy when you go.

Rankin: The one tomorrow is at the Westin. On the 25th it's at the Hotel Palamar which is at Mockingbird and Central. It's mostly commercial realtors I've found out.

Thompson: its realtors, developers, whatever industry is there. It can be a good event. On the industrial site, that might be something you all may want to check out since we are moving forward with the feasibility study.

Rankin: On the industrial real estate it would be good since we are working on that business park.

Thompson: If you do go I'd really encourage you to check it out from a sponsorship opportunity. They have booths for rent. I think it is a good investment, personally. It's a good crowd and depending on your level of investment you can even introduce speakers. It's a great way to hit target markets that you have and it's a good way to network.

Rankin: I think it will give us a chance to warm up to some of these companies to get to know how they are working. What's out there in the market place? I don't know how many would want to go, but if you do talk to Rita. Thompson wouldn't be attending the summit.

Damiano: How much is the booth?

Thompson: It depends on the level of sponsorship. They range anywhere from fifteen hundred to twenty-two hundred depending on what we want to do. The fifteen hundred is more the booth. The twenty-two hundred is getting to M C the thing. It depends on how aggressive you want to be.

Rankin: One thing I think we need to do first is we need to know some of the people. And we are not ready.

Damiano: I guess what I'm saying is if you have a home base meaning a booth you can work that booth and introduce yourself to people. It's a whole lot easier than walking up to people you don't know and getting a conversation going.

Thompson: Joanie does a very good job of making sure that he people that invest in the business mix and mingle. If you do go, seek out the other cities that are they. They do have multiply cities at these events, but no two cities in the same region. That is one of the nice things. There are no cites from this region that goes.

Braswell: Can you have a booth on March 25th?

Thompson: No it sells out to quick.

Rankin: I really like for any of you to go that can.

Damiano: I need to keep asking questions, I apologize. It's too late to get a booth

Thompson: Yes sir and I would encourage you all to go and get familiar with the event first.

Damiano: I think we need to be having conversation; we need to be getting prepared to do this. We need like a table drape, we need quick and easy handouts to give to people that walk by.

Rankin: That is the reason I wanted to talk about this tonight, because we had talked about having a booth or doing some of these other things. One thing that we might want to try is renting our booth not buying anything to start with.

Damiano: You can get a table drape that tells who you are that's very cheap.

Rankin: We already have a back drop. I really don't think we need to purchase anything right now other than get our brochures made up.

Thompson: When I've gone to this and seen cities-it's generally a table but they really don't stand behind the table. They are out in front of the table. They don't bring back drops like a trade show. It's been the ED guys out front. They may have a quick handout or something but it's mainly relationship building.

Damiano: I've attended a lot of these from a recruiting perspective and I know exactly what you are saying. You are there to meet people and make contact.

Thompson: That's it and Joanie does a good job bringing people to your booth and introducing you to folk.

Braswell made a motion that anyone on the board that wanted to go; the cost of the summit would be covered d for Bisnow. Janow seconded. All directors voted 'aye'. Motion carried.

Rankin: Regarding the tradeshow the next one is the ICSC Recon on Vegas. I have been discouraged from attending that one this year. They say the one in the fall will be in San Antonio

that we would probably be able to afford it. We would be able to get our act together and more of us go.

Thompson: It's more affordable. Vegas, I know sometimes people snicker because of the location, however if anyone goes and works it, it's about two football fields or a little bit longer. You're generally pretty dead by the end of the day. Generally there is about thirty-five or forty thousand people there and it's all retail.

Rankin: The other day I went on line to see what Texas cities would be attending.

Thompson: It's a bunch.

Rankin: Actually I was surprised, it wasn't.

Thompson: They may not have registered yet.

Rankin: They may not have registered yet, but primarily I was finding mid-size to large. There were very few that was in our size.

Thompson: Was that booths or attendees?

Rankin: Just attendees.

Thompson: Okay, like Athens has a booth.

Rankin: One thing I will say is most of them had their city managers, their mayor and the president of their EDC as the persons attending. So I just wanted to throw this out there that maybe we not attend the Vegas this year, let's go to San Antonio and get our feet wet.

Cassady: Do we know the dates on that yet?

Thompson: San Antonio is going to be the last week in October or the first week in November. It's that time frame.

Holubar: Jack, how many people go to the San Antonio show versus Vegas?

Thompson: It's about five thousand or ten thousand people on a good year. Dallas is a little light because nobody likes going to Dallas. Well the problem with Dallas is, Dallas-Ft. Worth is the biggest component of the Texas show; people from this area. A lot of the Dallas brokers don't go. They'll go for a few minutes then go back to the office, they don't stick around. In San Antonio there is nowhere to go during the day. It's a good show and that people at the Texas show are looking to do deals in Texas or Oklahoma. So it's more of a rifle approach, where as Vegas national. From that prospective, that's good and it's a good way to get your feet wet. They are both good shows.

Rankin: So are we all in agreement; I'm just going to go around the table here. Are we in agreement that we pass. All was in agreement.

Rankin: The last one is the Texas Rural Challenge and I have attended this for the last three years and I love it. The speakers there are all Texas dignitaries that are involved in economic development. You see what the other cities are doing. It's a great one to attend and I would at least like to make a motion that I go. So if there is anyone else that feels like they would benefit from this, I'd like to know. They have not put out a cost for this.

Damiano: It's June 19th and 20th?

Rankin: Yes.

Damiano: I'll go. Cassady: I'm out of the country.

Osborne moved to have the people on the board, anybody that wants to go to TEDC, Texas Rural Challenge in Waco with names to be supplied later. Damiano seconded. All directors voted 'aye'. Motion carried.

Rankin: That covers it for the spring marketing.

Janow suggested a brochure that could be made up and passed out at events. Rankin said that could be discussed at a later meeting.

Item#17. Discuss and/or take action on Orasi monthly report.

Rankin: Any questions, any comments? Anything you would like to add?

Thompson: No, we covered it in Loop Net. I was going to add the numbers that we got today. We discussed that and the Emergicon deal. You've given me the green light now on the business and industrial park so we will began processing that and pictures or whatever for the flyers.

Rankin: Right and now that we're not moving forward just yet-.

Thompson: We'll be supporting anything on the Eustace deal as well. The engineers are going to have them and deal with them on their water and sewer situation for that property.

Janow made a motion that we accept number 17 as read. Osborne seconded. All directors voted 'aye'. Motion carried.

Item# 18. Discuss and/or take action on Outreach PR monthly report.

Holubar: You all have my report. It wasn't the busiest month since the last time we meet. But the one thing that I do have, we agreed at the last meeting to put an ad in the Chamber magazine. I put one together for Boots to Business because I think we all agreed that Boots to Business would be it. Holubar passed around the ad she had made for Boots to Business. I really didn't have anything for approval. I will mention something. We had talked about the billboard and we had it for free for a while. We wanted to do it again but ran into a snag with the property owners. We may want to consider and this is something that Linda and I talked briefly about it yesterday. Going back to the property owner and see what would it take for us to get it? I did do some pricing so you guys would have an idea of what it would cost to buy that thing. It's about eight thousand dollars a year like any of the other boards in that general vicinity on 175. We had one heck of a deal. I don't know what we might be able to do and work out with him. Even if we offered him half that, maybe give him space on the billboard. Think about that and maybe we can pick it back up.

Osborne: I don't think that deals dead yet.

Rankin: Larry was just saying that if we just had it made and probably show up out there, put it up. After he's written to Barbara I think that would be somewhat rude.

Osborne: We don't want to do that. Let's see what more she can work on this deal and we could also offer four grand or whatever.

Holubar: I'm not sure exactly what he expected the EDC to do for him. I don't know if he thought we would all buy a swimming pool.

Osborne: Yeah.

Holubar: Is that what it was? I'm sure he would like to be able to prove we were buying supplies from him.

Holubar: Maybe there is something we can do to help him. That's the only other thing, that's all I have.

Osborne: What about making a small ad for him and putting it up and we pay for the ad?

Another idea just for his deal is put it in the paper. It wouldn't cost us.

Holubar: I think it's a great idea. It just depends if we can legally do that. You know we have all of these laws.

Rankin: We can't make a donation to a business. It's just the rules.

Janow: What would it cost to acquire a piece of land and build our own?

Rankin: Maybe when we have a business park we can look at that.

Osborne: On 274 a double sided was like five grand to buy one, not lighted. That's a big factor whether it's double sided or lighted.

Holubar: On 274 there is about half the cars or less. It's about thirty-two thousand cars a day by 175. On 274 I think it's about nineteen thousand cars a day and its mostly local traffic versus 175.

Rankin: Do we need to make a motion on this. Is everybody happy about what she is going to be using in the chamber magazine? All directors were happy with the picture ad Holubar produced.

Item#19. Discuss and take action to update the Standing Rules for the Gun Barrel City EDC.

Rankin: I have been visiting with Rita about this a good bit. It's something that we need to implement. I would like to suggest that it would be a great opportunity for our secretary and Rita to look over these Standing Rules and Procedures, bring them up to date because they are outdated. After the update, they will bring them back to the board, they would be discussed and move forward with them and start using them.

Cassady: Is this the EDC agenda application? Is this existing?

Rankin: No she and I discussed because we would like to have more order in our meeting because the audience has grown. If they have something they want on the agenda we would like for them to put it down, bring it to us and we can take a look at it.

Evans: City Council has to do it.

Rankin: I'd like to have a motion.

Braswell made a motion that Pat Cassady and Rita Evans update Standing Rules for the Gun Barrel City EDC and bring it back to the board for approval. Damiano seconded. All directors voted 'aye'. Motion carried.

Item# 20. Discuss and take action regarding the handling of **any expense incurred, but not previously specifically approved by the EDC board as it pertains to current EDC Travel Expense Approval Procedures.**

Rankin: Let me just mention that I asked Rita to pull the travel policy for the city and see if we couldn't maybe compliant with the way the city handles their travel policy. Do any of you have any questions, suggestions or comments?

Osborne: No I think we can have it uniform and then we all know what the rules are.

Rankin: Any other comments? Can I have a motion?

Cassady made a motion that the Gun Barrel City EDC follows the same travel expense policy as the city. Janow seconded. All directors voted 'aye'. Motion carried.

Item# 21. Discuss and take action related to the creation of a "Performance Agreement".

Rankin: This goes back when Jim was kind enough to review all of the performance agreements currently that we have and he came up with some good ideas. So could you expound on that?

Osborne: In no way did I infer or want to have it that all those things be included with each deal. Each deal is different. This deal up here is a side bar. She didn't really explain what she had. She has a viable business. She made two grand last week and nobody knows she is open. That's phenomenal. It's just a start. We got a second lien on that property that it's worth the money that was people that we know. I think we are there on that deal. We have three individual signers on this, the husband, the wife and the partner and you have the equity of the building. They are not asking for as much money as we loaned out to these other people. I just think you have to look at each deal and what glue we need. For Emergicon I would have had an insurance policy for the building and the damage on the software because that is what the money went for. We didn't but so far it's turning out to be a good deal. But in the future you protect what investment that's tangible.

Rankin: One thing that I wanted to say about this last agreement that we did. Had I known, had anyone picked up the phone and called me and said, 'hey' these people are really wealthy, they can handle this, my attitude might have been a little different. But I was told it was pledge lien and having a start up situation. I can't make a valid opinion on collateral if I don't know the truth.

Damiano: What do you mean by that?

Rankin: What I said.

Damiano: Who told you something different?

Rankin: It was in my email that went out to everyone that came to me. All I'm saying is, let's stay on point here. The collateral has to match the incentives and the business deal we are working on. I just want to be sure that we don't fall into any traps like we did on the other three that just went down. To me that's very important. Now on this boiler plate that you (Gary) had talked about, I think that is fine. So we have all the information to give to Jeff and that way it's all put into a form. All of our agreements have to have his blessing.

Damiano: No one is saying that.

Osborne: I agree with that, but they have to have more than the other ones did. I am comfortable with this deal only now I know what it is.

Braswell: He can pay it back.

Osborne. He owns the property now.

Rankin: I did not know he could pay it back.

Damiano: The RBEG did.

Rankin: It has to come to me.

Osborne: But they are not. You see what I learned after I went there, course she briefly touched on it, that place is stocked to the hilt with stuff right now that she owns.

Damiano: She owns it.

Osborne: She had it before. She had a shop similar to that and she has a very good plan that's going to happen. She will pick up the higher end buyers, weekenders and she will do it. But what I heard here and it took them over two months to put that in Henderson County Appraisal District that sale that was done in January. This is a good deal.

that a month ago or the last time we talked about it. There was no information. Just that they were out there and wanted to do something.

Rankin: One thing you have to remember or I do and I think it's important. Open meetings act does not allow me to share with you by email. If I put it on Smart Sheet we could be violating the Open Meetings Act. So for that reason I can't do that either. So it has to be shared in this board room. I heard from the board that you all don't want to have extra meetings so these meetings are going to have to be quick and brief. At least give us your update.

Osborne: This was a timely meeting. We had the most objective meeting with the focus was stayed. You are to be commended for keeping the point. One thing you and I learned a couple of weeks ago, Gary did, we met with John Grove over here at the rent a center. We met with him for less than an hour and we got an awful, awful lot of information and approval because of a good guy/bad guy, good guy. We learned an awful lot of things. We've got a guy on board to do stuff. I suggest strongly in the future when you go out and talk to somebody you do it in teams of two or three. First of all he was impressed that the city was interested in talking to him because he has a big investment there. He is long term; he isn't going anywhere. He doesn't want to be in the restaurant business so all of this is a plus. We got a lot questions answered and a lot of information. It was great.

Damiano: We had discussed doing that at a previous meeting.

Rankin: This is where I think I forget. I forget that you guys are new, but for the last five years that's how we worked it. I might work with Dennis or work it with Steve or someone else on the board. Y'all are just getting comfortable with that.

Osborne: We didn't know what the rules were. I'm speaking for me so that's why I've asked a lot of questions so we can fine tune this thing. I don't have a problem spending an hour and a half here with twenty-one items. Going through six items spending two hours and walking out of here going 'what was going'.

Braswell: One thing that helps is if everybody reads the agenda before we get here and have their questions ready.

Damiano: And if the package isn't complete. If everything is in there it makes go good.

Evans: Item 21, what do you want to do?

Damiano: I would like to see a template.

Rankin: Let's get it from Jeff. Let him provide us with something.

Braswell: Are you trying to simplify the procedure with new businesses? We hit them with so much stuff now. When they come in now and ask for documentation on how to go about getting help from the EDC.

Rankin: I'm sorry I don't quite follow.

Braswell: What is Jeff going to draw up for us?

Rankin: All we want is a template for the performance agreement so that we can fill in the blanks.

Braswell: So he is not going to address any of the forms?

Rankin: We just want to see his blank form so we can fill in the blanks.

Damiano: If we can shave off a couple of hours of his review of each performance agreement then that will help.

Osborne: Right.

Damiano: One of the reasons I put this on the agenda was we spent a bundle with the attorney.

Rankin: I didn't call him.

Damiano: Rita was involved with it; I was involved with it, that's fine. That's how it happened. The problem was that we didn't know until after the fact what this was costing us. That was really one of the problems. And my thinking was then if we had a boiler plate-. On most of these deals, maybe seventy-five percent is redundancy. It's the same thing with each one.

Rankin: I would say that I've seen an awful lot of these and there is an awful lot that does change.

Damiano: I agree with that.

Osborne: We just have to be prudent in what we are looking at. Each deal is a different deal.

Damiano: Let me explain what I mean about a boiler plate

Cassady: Explain the difference between that and a template.

Damiano: Symantec's. A template has options and in my mind a boiler plate also has options. Whatever we decide should be in the boiler plate. If it's a grant, the interest rate, that way when we set down to fill one of these out we have all of the information including the names and address that goes into it that we can ship off to the attorney which should take the attorney less time to do this thing.

Rankin: I think that was what we were seeing. We have a form we fill out with all of that information, fill in the blanks. He does the writing of section 4 and section 5.

Cassady: But doesn't he have a template?

Rankin: He does.

Cassady: Why can't we-.

Rankin: So we fill in the blanks for him, but then he has to write section 4 & 5.

Cassady: Right.

Braswell: I think we are making progress for the fact-just seems like a lot of discussion on the first three I saw when I came on the board was going downhill and was already under water. At least we are addressing now on what we should do. Lake Escape is done, we learned from it, let's move forward and like Jim said look at each and every deal. It's a different deal.

Osborne: There is no rubber stamp that we can put on every deal. Each one has different needs and different ways that we need to be protected.

Rankin: This was sort of an exception to the rule, because it was going through a committee. We have never ever had a committee working on our deals. And before whenever when someone was working on any kind of a closing they would come to the board and give up updates. We knew all along where they were on their updates. When it was time to close on it they could come here and close on it. Coming through this committee there was so much information that did not funnel down, especially to me. I can't lead you if I don't know. So I'm just saying going forward we will sort of be out of the RBEG. We are now back to business as general. I think we can all communicate at this table just like I did tonight.

Osborne: That was the most definitive thing to hear that you guys were doing. I don't want to get on the ship. I asked if you wanted someone else on it. You answered the way I would have answered. No we don't want to rock the boat. We've got it going where it's going. I didn't hear

Rankin: I need a motion.

Damiano made a motion to request a template performance agreement from Jeff. Osborne seconded. All directors voted 'aye'. Motion carried.

Adjournment: 6.33 p.m.

Approved by: *Linda Rankin, President*
Linda Rankin, President

Attest by: *Pat Cassady*
Pat Cassady, Secretary