Notice of Special Board Meeting
of the
Gun Barrel City Economic Development Corporation

The Gun Barrel City Economic Development Corporation will meet in a Special Board meeting in the Gun Barrel City Council Chambers located at 1720 West Main Street, Gun Barrel City, Texas, 75156 on Thursday, May 19, 2016 at 5:00 p.m.

Call to Order
Invocation
Pledge of Allegiance
Roll Call and establish a quorum

Steve Schiff – President – Present
Gary Damiano – Vice President – Present
Holland Whitten – Treasurer – Present
Megan Lindaman – Secretary – Present
Jim Osborne – Board Member – Present
Keith Butler – Board Member – Present
Michael Slingerland – Board Member – Present

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.

Item #1: Discuss and/or take action to accept a presentation from Ben Hassel relating to a new business venture in Gun Barrel City. (Schiff)

Ben Hassell – Spoke about wanting to bring his business to Gun Barrel City. Sugar Rock is a printing and promotional business. They do all kinds of products anywhere from event give-away items that sit on the tables; the table throws, to the tent and graphic designs & marketing logos. The company likes to help their customers save money and when they buy in bulk the business likes to keep stock and they are running out of space right now for their current business. Sugar Rock is looking into signing a contract for product packaging but they do not currently have the space and would have to rent a storage unit. This is why they are looking into coming to Gun Barrel City.
Schiff – Any preliminary questions from the board?
Whitten – Do you have a current space in mind or are you looking for us to provide options?
Ben Hassell – We have already looked at a couple of properties, and I am currently talking right now with someone about purchasing a property.
Whitten – I see.
Damiano – I have a quick question for you, give me your employment program or your employment profile over the next three years if you make this move and things go well. Another words how many people? You have one full time now and a couple of part time correct?
Ben Hassell – Yes.
Damiano – First six months are you going to add anybody?
Ben Hassell – I would love to and we are at the point now that we really need to add another employee, but yet we do not have the space for them to office out of. I have two companies right now that I am negotiating doing a fulfillment agreement with and I am hoping that I get them of course because I love

growth, but at the same time I am going to have to take out a storage unit right now just to hold their materials because I just don't have the space.
Damiano – I know you have given us a package and I have looked through it, but I am going to ask you over the next 2-3 years how many people do you see yourself adding if all goes well?
Ben Hassell – Well our goal, right now like I said we have one employee full time and then myself and Sadey are both full time of course and then we have what we call part time surge employees. So when we do these fulfillment agreements sometimes we have to print several items and stuff them into bags or into certain apparatuses and ship them out. So I have to call people in on kind of a contract basis, and right now, like I said we need to add someone to our team that can do design work and if the fulfillment keeps growing then I can defiantly see taking on 2-3 more employees quickly.
Damiano – O.K. your gross sale, how much of that is subject to sales tax?
Ben Hassell – Well 55% of my business is taxable.
Damiano – O.K.
Ben Hassell – So that is a good thing.
Damiano – O.K. that is a good number thank you very much.
Ben Hassell – Thank you.
Schiff – And by the way Ben has done a lot of work for the EDC already in a lot of the things that we are putting together, promotional things and also helping us with our signage and everything. Thank you.
Osborne – All of the stuff that he has done is high quality workmanship you would think with the quality it is out of Dallas. The quality that he and his wife do is exceptional.
Schiff – So can I have a motion to accept Ben's presentation?
Osborne – I move that we accept the presentation from Ben Hassell/Sugar Rock relating to a new business venture in Gun Barrel City.
Schiff – Can I have a second?
Damiano – Seconds the motion.
Schiff – I have a motion and a second, anymore discussion? Voting from my left.
All agree and motion passes.

Item #2: Discuss and/or take action to accept a presentation and update from Cecil Saucedo relating to a new business venture in Gun Barrel City. (Schiff)

Cecil Saucedo – Told us a little bit about his background and how he has started his business and why he is where he is now. He and his wife run the restaurant and it is doing well, but they do not want to go anywhere else with their restaurant, they do not want to franchise the business. They really wanted to bring in a business that they thought there was a need for in Gun Barrel City. An Event Center was what they want to open and they need to expand to fulfill the capacity of people for the events. With the expansion they have ran into extra expenditures and that is what they are here for. This Event Center will be for private events, and meetings.
Schiff – I just wanted you to clarify the amount of people that you will be able to hold in the reconstructed area; it will be how many people?
Cecil Saucedo – The square footage and the capacity of the building, has to do with how many people are sitting and how many are standing. We can seat 350-400 and standing we can hold about 800-1000 people if we qualify. We are looking for a minimum of 700 people.
Schiff – Per Event?
Cecil Saucedo - It will vary for the events held. Vendors with booths have people walk in and out all day.
Schiff – Excellent, any questions from the board? Can I get a motion to accept Cecil's presentation?
Osborne – I move that we accept the presentation of Cecil Saucedo relating to a new business venture in Gun Barrel City.
Butler – Seconds the motion.
Schiff – I have a motion and a second. Any other discussion? Voting from my left.
All agree and motion passes.

Item #3: Discuss and/take action to accept an update report on the Skate Park camera update. (Whitten)

Schiff – Holland.

Whitten – Today was the day that the East Texas Alarm company, the ones who installed the camera, and the IT person from the police department finished the work that they did. (Live video feed was shown with discussion). Video is live and will be available to view on the internet. If people have kids at the skate park they can pull it up and see what is going on. The police have access to it also, as part of their camera system so they can keep an eye on things.

Schiff – So is this going to be on our EDC web page?

Whitten – I can put a link to it on our website and on our facebook site.

Schiff – Now this is interesting, this is what we wanted to do at all of our sites we were working on. Obviously is was cost prohibited, but this camera is really sharp. I don't know if you all can get a feel for it in the audience, but I know that the board can really take a good look at what is happening at the skate park and apparently despite all of the weather it is still coming together. Very good.

Damiano – Very good.

Schiff – Can I have a motion to accept this update report?

Butler – I make a motion that we accept an update report on the skate park camera.

Osborne – Seconds the motion.

Schiff – I have a motion and a second, and discussion? Voting from my left.

All agree and motion passes.

Schiff – Thank you Holland great job.

Damiano – Great job.

Item #4: Discuss and/or take action to accept an update from Holland Whitten and Jim Osborne on the EDC Website Internship program that is being created in association with MISD for city wide website development and enhancements. (Whitten/Osborne)

Osborne – Go ahead Holland.

Whitten – This was on the City Council Agenda at Tuesday night's meeting. It was approved to move forward with 2 interns for this summer to do work for the cities desktops and web sites as well as the EDC. We are moving forward on this, we have 2 other applicants we would like to find work for. We put together a brochure to market this to give to business in GBC that need web development activity, so we are hoping that we can find other sources to expand our intern program and put the other two available applicants to work. We actually had 6 applicants in all, 2 have found other plans for the summer. So we have two others that we would like to place in the program.

Schiff – Just so everybody knows these are GBC residents that are going to be working.

Whitten – The two that we have recruited for the city are. The others are in Mabank ISD, but they live just outside the city limits of GBC.

Schiff – Good. For a first go around what was your overall feeling? Was it a success? Was it just the initial stuff we are working on?

Whitten – I was really impressed with the kids that they have there and the training they have. They have studied web development technologies, and they have a very good understanding of what we are doing here. So I think they are going to be a real asset to the city, plus they get real world experience in local government and I think that it is going to be in technology as well. So I think it is going to be really good for them and according to their teachers they are very excited about this opportunity.

Schiff – And the other key piece is that we are also putting together a formal employment contract for each one of them so that they get a taste of the real world, that even includes a termination clause if it doesn't work out the way it is supposed to work out. They are going to have a real life deal in their hands, I think it is great learning and again I think it is a great idea to start tying these things together. Especially when we can get the things done that we are trying to get done, that Holland you can't do

all by yourself so, it's all good. Plus it's going to be shared with the city as well; it is not just an EDC project so I am very excited about it. Jim anything you want to add?
Osborne – No. Holland; of course asked all the technical questions, I ask a lot of personal questions about the kids, what they did in school and so forth. I was impressed with the area of how much of their studies and how comprehensive it was, which I know nothing about so we have Holland for that. The interesting thing is that they had the propensity to do this it was an avocation to be doing it which is pretty cool.
Schiff – I think it is great. Hopefully something will be able to continue for a few years. Any other discussion? Would somebody like to make a motion to accept Holland's report, and Jim's report?
Damiano – I would like to make a motion that we accept a report from Holland & Jim regarding the intern program.
Butler – Seconds the motion.
Schiff – Motion and a second. Voting from my left.
All agree and motion passes.

Item #5: Discuss and/or take action to accept a report/presentation on radio advertising opportunities for Gun Barrel City in the North Dallas marketing area. (Schiff/Osborne)

Osborne – We had a couple of strategic planning meetings with about 3-4 of us and I think the Mayor was at both of them, but anyway the idea that I came up with is that we are a single location, we are not like a Lowes or Home Depot where there are multiple locations so what I have determined over the years is we used to use print to get our information out to the public. Ten years ago when you opened up the Dallas morning news on Sunday you have a ¼" of the classifieds for the car dealers. Today there won't be three ads in the back pages because they don't use it anymore, they use television, and they use radio. I had an ad agency for the company I ran and I used to buy all of my own media because I didn't trust the reps. I went out with the whole focus of what we need to do to get people and business here; well we need to be in North Dallas, we don't need to be on KCKL to pull people out of North Dallas because they can't hear it. So I did some research that led me to two top stations in the circle of the DFW area and this is what I came up with. Ironically they are owned by the same people, Cumulus. But the two hottest stations and the rates have just gone up on the ticket. They have about 3.9 Million, so then you have KPLX which is the top country station, they all skew to the 35-54 adults so that isn't just males, or females it's just both. I put together a very simple plan Starting June, July, and August depending when we want to run it. We are involved right now with about 10-11 different events and putting it in the newspaper on the weekend is stupid because nobody reads the newspaper except the local people. So my concept, and I have the proposal for it, is to run ads Wednesday, Thursday and Friday, it would be the 2nd 3rd & 4th week of the month and some Saturday Business 1-2 just for the strength of the station. Most of their people or 70% of their people just on these two stations make over $100 thousand a year. Their either professionals working at or have Business of their own. These are the people that we want to come down to our events, we want business here, and it is the chicken or the egg. They have to figure out who we are, what we are doing. The consistency of having that the 1st & 2nd week, is that everyone has to pay rent their doing whatever they are doing. Anyway, with these two stations, I am not going into all of the data that I have but, they are a perfect fit for the kind of people we want coming down here and they can spend that money, their spending is all documented. It is a lot of travel, high end clothing, a lot of things you see in North Dallas because when the lake is full and we have our weekenders come down here the city does extremely well, and when the weekenders don't come down here we do not do extremely well. We have all of these events and they have to be invited down here for them to see who we are, and what we are and rebrand us. We are the jewel on the lake, we are the biggest City, and we have the nicest facilities. All of these spots are 15 second spots, and I had them place them in strategic places where you don't pay a top rate. I had the 7:40 news and 7:40 traffic and so forth, so you're paying a smidgen of what I used to buy KVIL and Ron Chapman a spot back 20 years ago. It used to be $1200 I used to buy the 7:40 news and I would buy a 30 second spot and I would spend

$3000 on the Ron Chapman show so that is the difference. 15 second spots, and by the way they will do all of the production, productions included the ads, and they need to be different per radio station so they will change them up and do what they need to do, so I think it is the only venue. The print thing is dead and you don't want to be on television because the time it takes to re-do ads on television is astronomical and we want to catch them when they are in their cars and listening and telling them why they need to come down here and look at us for the different opportunities.
Schiff – It is a pleasure to have somebody on the board that really understands all of this through the media and everything.
Osborne – Well I have done this for so long, that I have spent between $30-80 grand a month in radio, television and print. What I learned it that we are a single destination. The company that I ran, we were a single destination. We don't have 5 Gun Barrel City's around North Texas, we have one and we have to present it that way so, I mean print has a place but not in getting the people from Dallas, we can't afford to do that and this whole project could be about $6 grand a month, and you can't buy a billboard on central expressway one right hand reader between $4500-$6000 every month and then who is going to see it you know, and I bought those too.
Schiff – I have to tell you, this came up in a strategic planning meeting, this is for the board and I am telling you within 48 hours we had every Nielson rating you could take a look at, for the demographic we are going after, so Jim you know I have read it, I haven't digested it, because I can't, I mean I understand some of it, but I don't understand it as well as you do.
Osborne – you know it is
Schiff – This is the information that came from two radio stations.
Osborne – Well they are one in the same, they can't sell each other. The ticket only does the talk radio, then KPLX does their thing, and they have two different general managers and I have talked to both of them. But the quality of those two radio stations is what we want. KSCS is skewing to a younger audience, we don't want that. We don't want a younger audience; we want the adults that have the potential. The data that they were able to supply, I mean I had a working plan within 4 days and more data than you can sift through. We have the greatest print guy (Addresses Ben with Sugar Rock) right now working for us for our local stuff on that end, and they do phenomenal work. We need to be in Dallas area to where we are getting 3 million and 3.9 million people every time we are on the air.
Schiff – Well thank you so much for putting all of that together, on behalf of the board. Very, very comprehensive. Any other questions from the board?
Damiano – Yes a couple, which is 6k per month Jim?
Osborne – Yes
Damiano – O.K. let me specify. First I agree with the concept 100% but that 6k a month, are we signing a contract for multiple months if we do this or is it just one month at a time?
Osborne – I haven't gone that far with it, I think with the contracts, it is you do it the way you want to do it, not the way they tell you to do them.
Damiano – O.K.
Osborne – Period.
Damiano – O.k.
Osborne – I mean, you're either running the show or the show is running you, so we would spell everything out. Right now we have a schedule, we have already missed one month in May, but that doesn't make any difference, the point is the concept of this thing is we have all of these events, we have the skate park, we have the Lawnmower races, we have all of these different things that you could bring up and have them come in here. We can change it up because; it doesn't take anything in radio to change up. Television is a lot of work.
Butler – Yes, a lot of production.
Schiff – Your other question?
Damiano - I don't really have any, I think it is a great idea, because I think the city and the lake are probably 2 of the best kept secrets in Dallas.
Osborne – They are.

Damiano – I do, and there in lies my only concern, again I am going back to I totally agree with the concept, we need to be out there. The only question I have is where do we start or how do we start, because if we start off with an ad for Gun Barrel City to the untrained ear it could sound like a kids amusement park. I am just tossing it out there.
Osborne – The concept to me is simple, but then again that is my simple mind. Here is the deal, we are advertising a destination, we are the EDC of the Gun Barrel City on Cedar Creek Lake we are 63 miles from downtown Dallas, we have fishing, we have eateries, and we have got blah, blah, blah. You can get a lot of information in 15 seconds. It is a "oh by the way come see our lawn mower races with the 40 different chapters from North Texas". Putting the content into the add is the least of the worries, we have 11 different projects going on to invite people down to and we are not going to get it done by
Schiff – Let's be honest, it is time for a change. Pick it up and see how it goes.
Osborne – People stand around and say how are we going to fill these 50 blank store fronts out there. You have to invite the people down here, they don't know it, we have a piece of property for sale here that we have not had an offer on, and we have to let them know it is available.
Schiff – Yes.
Damiano – One of the things we came up with at the strategic planning meeting is that the best thing to do is to drive people and business into this town.
Osborne – We have to.
Damiano – We have to, we have no choice. We are what we are. That is why I say I totally agree with your concept, we have to get out there and start telling the story.
Schiff – Figure out the details. Any other discussion?
Butler – Yes I have a little bit, are either one of these affiliated with WBAP or KRLD?
Osborne – Cumulus owns, back when Mark Cuban had all of this, the federal government made all of these changes that you had one station owned by one company, and then they changed the federal regulations. I heart Radio for instance, has radio stations all over the country so I don't know if WBAP is in there or what. Taking the data on talking to the people of what I was looking for was the 35-54 which is the biggest chunk in getting the most college educated, the higher income, the homeowners, the professionals, and so forth because those are the ones that have business or have friends who have business. And frankly they are the ones who can buy 2nd homes. I go to Dallas about once a month and I go to my favorite restaurant and they say where do you live? I tell them Cedar Creek Lake and I tell you 7 out of 10 times they say where is that? It is 63 miles from here it's better than Texoma or Louisville because you can put your boat in front of your house, they say "well you can't do that up here". No you can't, because those are core of engineer lakes, so you have to tell them about what it is.
Schiff – It is an educational process.
Osborne – Yes it is, but it is so funny with advertising that you know it works when you start getting business in there; nobody walks in and says you know you really wrote a great commercial that is not how it works. It would be great if someone picked up the phone"hey great Sugar Rock thanks a lot". You get your performance off of the people coming in here. Period.
Schiff – So get ready because we are going to need a jingle Ben just so you know I hope you're good.
Butler – Jim the reason I actually asked that question is because I listen to 1080 in 8:20 going into work every day and partly because I have radio ADD, my finger works a lot, but the Frisco EDC
Schiff – Is Promoting,
Butler - Is promoting on there, and every time I listen to it and they get done I just go "man I am jealous".
Osborne – You know the DAP is a little different audience and so you have 63 or 65 stations in Dallas that are AM & FM. I picked the GM's and general sales managers and I said I want you to tell me about this and this so you actually understand radio, and I am not patting myself on the back, but when you are responsible for between $30-80 grand a month in a budget and our business had to generate like $700 thousand dollars a month, and I was working in Duncanville, living in Plano. I had

to get all of the people out of North Dallas and Arlington in order to pay for it because the people around where we were didn't have any credit. It is all credit driven, you know and when the people drive down here from North Dallas took out an American Express the size of a license plate you know they don't mind spending $100 for a lunch, going to the coconut and the other people are going ok my bill was $4.62 and I put on the 10% tax.
Schiff – Anything else?
Butler – I'm good.
Schiff – Anyone else have a question? Jim thank you very much that was very comprehensive, can we get a motion to accept this?
Butler – I make a motion to accept the presentation on radio advertising opportunities for Gun Barrel City on North Texas that was presented by Mr. Osborne.
Whitten – Seconds the motion.
Schiff – I have a motion and a second, voting from my left.
Damiano – Hold it.
Schiff – Yes, discussion?
Damiano – What are we voting on? Just to accept the presentation?
Schiff – Just to accept the presentation.
Damiano – We are not authorizing it.
Schiff – No
Damiano – O.K. Just clarifying.
Schiff – Voting from my left.
All agree and motion passes.

Closed Executive Session – 5:36 p.m.

Executive Closed Session of the Board of Directors: The Gun Barrel City EDC will now hold a closed Executive Session meeting pursuant to the provisions of Chapter 551 of the Texas Government Code in accordance with the authority contained in Texas Government Code 551.087 Deliberations Regarding Economic Development Negotiations and Texas Government Code 551..

Item #6: Project "Otis"

Item #7: Project "Safari"

Item #8: Project "The Edge - Gun Barrel City Skate Park"

Item #9: Brawner Hall value property and listing agreement

Reconvene into open session – 6:44 p.m.

Reconvene into Open Session: The Gun Barrel City EDC will now reconvene into Regular Session pursuant to the provisions of Chapter 551 of the Texas Government Code to take any action necessary regarding the items discussed in executive session.

Item #6: Project "Otis"

Whitten – I move that we establish "Project Otis" as a project. Project 2016-001 not to exceed $150,000.00.
Butler – Seconds the motion.
Schiff – I have a motion and a second, any discussion? Voting from my left.
All agree and motion passes.

Item #7: Project "Safari"

Damiano – I would like to make a motion that we establish "Safari" as a project with the Economic Development Corporation project number 2016-002 in the amount of not to exceed $60,000.00.
Osborne – Seconds the motion.
Schiff – I have a motion and a second, any discussion? Voting from my left.
All agree and motion passes.

Item #8: Project "The Edge - Gun Barrel City Skate Park"

Butler – I make a motion to accept the update of the Gun Barrel City Skate Park that was discussed in Executive Session.
Slingerland – Seconds the motion.
Schiff – I have a motion and a second, voting from my left.
All agree and motion passes.

Item #9: Brawner Hall value property and listing agreement

Damiano – I make a motion that we authorize President Steven Schiff to discuss with the chosen real estate firm to solidify the value and any additional terms relating to listing that property.
Osborne – Seconds the motion
Schiff – I have a motion and a second, voting from my left.
All agree and motion passes

Schiff – Motion for adjournment
Damiano – Motion to adjourn.

Adjournment

"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: _____
Dawn Yarbrough, Administrative Marketing Assistant

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 Noon on Monday, May 16, 2016.

_____
Dawn Yarbrough, Administrative Marketing Assistant

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.