

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

The Gun Barrel City Economic Development Corporation met in a Special Board meeting in the Gun Barrel City Council Chamber located at 1716 West Main Street, Gun Barrel City, Texas, 75156 on Tuesday, September 1, 2015 at 5:00 p.m. Damiano called the meeting to order with the following directors present: Osborne, Lyons, Damiano and Butler was present. A quorum was established.

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.

Mayor Dennis Baade: As the new Mayor of Gun Barrel City I would like to address the EDC and say that you have my full cooperation to work together to make good things happen for the City. I think we've got quality people; we are all volunteers. That is the first thing I think of when I talk to people on the City Council and EDC. I know their hearts are in the right place and I know we can do some great things together. I appreciate your service. Thank you.

Item #1 Discuss and/or take action to seat Megan Lindaman to Place 3 for a two year term and Steven Schiff to Place 4 for a one year term.

Megan Lindaman and Steven Schiff were sworn in.

The motion to take action on Item #1 was made after Item #3.

Item #2. Discuss and/or take action on current EDC projects.

Overeynder: We've got a couple of projects we are working on. The skate park, we are still working on enhancements on that with the contracts and SPA and the City Council. Domino's was authorized by City Council last Tuesday. He has signed the performance agreement and we've been able to execute that. Same thing with 1st Call Restoration; they were approved by City Council to move forward. I'll be meeting with Tim next month. Once his 60 days expire, we will move forward on the execution of his performance agreement. GBC Medical Associates, we've got the second reading coming up the twenty-ninth of this month. One other I did not list is Cedar Creek Gun Range. He is still working on the rest of his funding before we can actually move forward. Also there is the boat launch as well. I'm going to turn that over to Gary.

Damiano: The boat launch ramp, there are a couple of things effecting our progress on that. We do have some bids to construct it. The current potential site is Tom Finley Park. The Tom Finley park board is on board with that. One of the things that's holding that up is the water level of the lake. It's high, it will cost significantly more to build it. The reason we are looking at this is to increase the number of fishing tournaments that come to the lake and increase sales tax revenue. Any questions for me or Sean?

Schiff: Were all the issues brought up by City Council last time, have they all been addressed in regards to Domino's and about the -?

Overeynder: I've talked to Domino's. It's actually required by Domino's that the building is ADA compliant.

Schiff: Thank you.

Damiano: Any additional questions?

No further questions. No action taken.

Item #3. Discuss and/or take action to approve the revised EDC FY 2015/2016 budget.

Overeynder: There were some changes that we had to make. Originally it was \$437,000 and some change (sales tax revenue) was what we projected. After the City Council's budget workshop, we've actually cut ours down to \$425,311. So we've reduced it by \$12,000 for the

fiscal year. We made some cut backs on our marketing to get us down to the 10% which would be \$42,033.00 which we are allowed by the state to have for marketing. We made some other cut backs as far as professional development goes and some of our general bills that we pay, but doesn't affect the operations a whole lot. We went from \$437 to \$425,311.

Lyons made a motion to approve the revised EDC 2015/2016 budget. Osborne seconded. All directors voted 'aye'. Motion carried.

Butler: We need to make a motion to seat the new directors. (Item # 1)

Damiano: I thought the swearing in did that? Okay.

Butler: I think we can skip the last part. Butler made a motion to seat Megan Lindaman to Place 3 for a two year term and Steven Schiff to Place 4 for a one year term. Lyons seconded.

Osborne, Lyons, Damiano and Butler voted 'aye'. Motion passed.

Item #4. Discuss and/or take action on electing EDC officers for 2015-2016.

Damiano: We will start with the office of President.

Butler: I'd like to make a motion to elect Steven Schiff for the office of President for the EDC until the remaining term runs out.

Damiano: Any other nominations?

Osborne: I nominate Megan Lindaman for Vice President.

Damiano: We are just working on the President right now. Need a second.

Osborne: Second.

Damiano: For Steven?

Osborne: Yes.

Damiano: We have a motion and a second. Vote from my left.

Osborne, Lyons, Lindaman, Damiano and Butler voted 'aye'. Motion passed.

Steven Schiff: So what just happened?

Damiano: You are President. I'm trying to figure out if I turn it over to you or run through this. I think I'll run through this. Let's move on the Vice President. Any nominations?

Osborne nominated Megan Lindaman for Vice President.

Schiff: Can we pick another nomination?

Damiano: Yes.

Steven Schiff nominated Gary Damiano for Vice President.

Damiano: OK, are there any other nominations?

Butler seconded the nomination for Gary Damiano.

Damiano: Do we have a second for Megan?

Boren: There is a motion for Megan. Someone needs to second it or let it die.

Osborne: I move that we make Megan Lindaman Vice President.

Damiano: Is there a second?-NO SECOND.

Damiano: I've been nominated and seconded for Vice President. Any other nominations? Vote from my left.

Osborne, Lyons, Lindaman, Schiff and Butler voted 'aye'. Motion carried.

Damiano turned the meeting over to Steven Schiff.

Schiff: I'd be remiss if I didn't make a comment. Thank you for your trust in me. I appreciate it. I will try to lead as best as I possibly can. But more importantly it's up to us collectively to work together to make sure we are working in cooperation with Sean and to allow him to do the things he needs to do so that we can build a much stronger and a much better working relationship not only with the citizens here in the city, but with our businesses in the city; more importantly with the city council. Our goal is going to be to really change things. I'm really getting tired of reading in the newspaper-I was going to bring with me today the stack of newspapers that have negative comments about Gun Barrel City and the EDC. I have a stack of

them under my desk. I was going to bring them with me because we really have to change that. We are going to try and right the ship and get it in the right direction. I appreciate all your confidence.

Do I have a motion for any nominations for Secretary?

Damiano made a motion to nominate Cheyenne Lyons for Secretary. Butler seconded.

There were no other nominations.

Osborne, Lindaman, Schiff, Damiano and Butler voted 'aye'. Motion passed.

Schiff: Any nominations for Treasurer?

Damiano nominated Keith Butler. Lyons seconded. No other nominations. Osborne, Lyons, Lindaman, Schiff and Damiano voted 'aye'. Motion carried.

Item #5. Discuss and/or take action to update check signing authority on bank accounts.

Damiano: We've had a number of changes on the EDC. Generally speaking the individuals that historically been on the check signers is the Administrative Assistant, which is Rita, myself as Vice President, President and the Treasurer. My proposal on this is to have the check signing limited to EDC Officers, meaning the President, Vice President, Secretary and Treasurer. Any questions or discussion on that? I'll make a motion to that effect that we authorize check signing privileges to the President, Vice President, Secretary and Treasurer. Osborne seconded. We have a motion and a second. Any discussion? All directors voted 'aye'. Motion carried.

Item #6. Discuss and/or take action to rescind the motion of August 11, 2015 on Item #14.

Section § 551.087 of Texas Government Code deliberations regarding Economic Development Negotiations: City's proposal of Brawner Hall.

Damiano: That particular motion called for certain conditions in relation to the rental of Brawner Hall that was tied to the rental of the EDC offices over here that the EDC allowed David Skains to go forward on and negotiate, which he did. Since then the City has countered with other options which I will turn over to Sean to explain those.

Overeynder: This original motion had some verbiage in it that the City could not actually grant. So in turn we are having to rescind that motion because of the verbiage in it.

Schiff: Can you refresh everybody's-

Overeynder: It says right here-the City shall remedy the ordinance or ordinances as well as other intended barriers that prevents the Farmers Market set up and operational on the remaining portion of 1810 W. Main Street. Additionally-to be honest with you, I think that was it. That was the only thing the City could not legally do.

Rea: I think I can simplify this a little bit. The original motion included some verbiage from the EDC as far as rentals in arrears. The EDC has agreed to drop those. The language having to do with the Farmers Market was in appropriate for that particular agenda item. The City Council and hopefully the EDC have come to a very simple resolution to this problem and it's relatively a zero-zero net-net for Brawner Hall versus the EDC office.

Damiano: What that means to everybody is it zeros out our rent in return for our rental of Brawner Hall. Is that a fair statement Rob?

Rob Rea: Yes. By legalities there has to be checks that are swapped. Essentially the city writes a check for one thousand and the EDC writes a check for one thousand every month. There is also a 60 day out for either party for any reason. So if the EDC should sell the property then the city could move their equipment within 60 days and everything would be fine. This is probably three months later than it should have been, but it's done now.

Schiff: I think it's a good thing and totally support it.

Boren: The reason the motion needs to be rescinded is because the City can't go into contractual zoning or use. State statues won't allow us to go into that. That's the reason you need to rescind the motion.

Call for further discussion. There were none.

Butler made a motion to rescind the motion of August 11, 2015 on Item #14. Section § 551.087 of Texas Government Code deliberations regarding Economic Development Negotiations: City's proposal of Brawner Hall. Osborne seconded. All directors voted 'aye'. Motion carried.

Damiano: Sean, correct with me if I'm wrong on this. Basically it's a net-net thing. In other words the city pays a thousand a month for leasing the storage area of Brawner Hall as a storage area. We continue to pay a thousand a month. So it's a wash. The City is responsible for the utilities in that building and we are responsible for-. Everything else is the same as it has been all the way through. We are responsible for our utilities here and the City is responsible for the utilities over there. It allows for a 60 day notice on either side that they are going to terminate the contract and that's to protect the EDC in the event that we sell the property. It allows the City, if they so choose to make other arrangements to store this equipment. They also have the right to get out.

Overeynder: This will commence on October 1.

Butler: Are there actual checks being exchanged?

Overeynder: Yes there is. We will write a check for the rent and they will write a check the building every month.

Damiano: The only other thing we put in there is if the leases are negotiated through Scott Damuth who is an attorney down here. It's a \$125.00. If they are written up by Scott and correct me if I'm wrong on this. In essence it makes each side responsible for their own legal fees because it's going to be the same for both sides. If someone opts to go to another legal firm to get the lease drawn up then they are on their own for legal.

Boren: Another thing I want to let the board know is council did direct us to get it approved by the attorney so when Sean and I talked we thought it be best to go local, but with council's direction we will still need to pass it by our council. I guess y'all would do the same. Even though we are doing a lease agreement, I was charged by Mr. Rea to make sure I send it to our legal after the lease agreement has been documented.

Damiano: It's a win-win for both sides. It resolves the problem; it's a good move.

Item #7. Discuss and/or take action on Brawner Hall & EDC proposed office lease agreement between the EDC & Gun Barrel City.

Damiano made a motion to approve the potential lease agreement regarding Brawner Hall as a storage facility for the city. Osborne seconded. All directors voted 'aye'. Motion carried.

"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).

Adjournment: 5:26

Approved by:



Steven Schiff, President

Attest by:



Cheyenne Lyons, Secretary