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

The Gun Barrel City Economic Development Corporation met in a Special Board meeting at the Gun Barrel City Hall Council Chamber located at 1716 West Main Street, Gun Barrel City, Texas, 75156 on Thursday, August 7, 2014 at 2:00 p.m.

Call to Order
President - Linda Rankin: Present
Board Member - Gary Damiano: Present
Board Member - Pat Cassady: Present
Board Member - Jim Cavanaugh: Absent
Board Member - Sandy Janow: Present
Board Member - Jim Osborne: Present
A quorum was established.
Citizens in attendance: Mayor Braswell, Councilmen Dennis Baade and Ron Wyrick. Travis Tarlton/Citizen.
Citizen's Comment: None

Item #1: Discuss and/or take action to approve the EDC Fiscal Year 2014-2015 Budget.

Damiano: I didn't see it here and I may have over looked it. What happens to monies in the fiscal year that we don't spend in the fiscal year? Do they get rolled over into the new budget?
Rankin: They do and then we put whatever additional money that we need into a C.D.??? It's kept in the bank until we need it and need to a lot it. THE WORDING NEEDS TO BE CORRECTED. WE DO NOT HAVE C.D'S because the Auditors will start looking for a C.D.
Damiano: Sales Tax-you've got a $5,000 delta? My question is that the total that is abated to them this year or just our share?
Rankin: It's our share. The City will be paying an awful lot of money.
Damiano: You had Lake Escape making payments. The payment number, I assume is predicated on the idea that they borrowed the whole fifty thousand.
Rankin: Actually this is predicated on the fact that they borrow only five thousand. I believe they only borrowed five thousand and we were told they wouldn't be borrowing more.
Damiano: They are going to try and keep it at ten thousand tops. That payment is on five thousand dollars?
Rankin: We were told this week that they plan to pay off their loan this week or next week. So this amount may not even apply. Based on your repayment program this would be the subject amount. This will change if they pay it all off.
Damiano: Old City Hall? That's demolition fees, correct?
Rankin: Yes.
Damiano: The Business Park -that amount $74,418?
Rankin: That was last year's budget amount. Right now we are only putting enough in there for a feasibility study and if we move forward we will come back to the board and add some other money into that project.
Janow: Old City Hall. Is that the one demolished or is the one to be demolished?

Rankin: The $15,000 will be for the demolishing Brawner Hall. We have to have special asbestos removal equipment. That will cover the cost to remove that building.
Damiano: Prospecting? What falls in that category?
Rankin: There is a good opportunity that we may be getting some leads from the U S 175 Corridor Alliance. We are also going to be marketing more heavily and getting leads from that. When we have to go someplace to speak to a corporation or business about moving their headquarters or expanding into Gun Barrel that's considered prospecting.
Damiano: How did you arrive at the $15,000?
Rankin: At this time we have no leads. An airline flight to the west coast might be $1,500. If we went to the east coast it might be $1,500. If it's in Texas it might not be no more than $400 or $500. You will have an overnight stay and you will have money for that. If you had to send them an aerial, you've got money for the prospecting of it.
Damiano: Boots 2 Business: The marketing, you've provided $500.00. We've been waiting on Connie Holubar to get back with us on some things. Have we heard anything?
Rankin: For the record Connie Holubar has taken a position in Galveston. She will not be working with us going forward with Boots to Business. You will need to meet with your group and we will discuss how we are going to move forward with the marketing.
Damiano: Is she still working with us?
Rankin: Barely.
Damiano: Have we paid her?
Rankin: That will be discussed later.
Damiano: I didn't see it in the budget.
Rankin: It's not.
Janow: We were working on brochure to distribute about Gun Barrel.
Rankin: We are waiting on her to contact us to let us know what she will continue to do and not do. My guess is she's got a full time job and she will have to relinquish what she is doing now.
Damiano: The Roundtable. There is $2,500 budgeted for that next year. Judging from the reaction today it might be worth having two a year. Is that enough budgeted?
Rankin: We can add more. I was very delighted that today was very successful. We could put in for two next year.
Mayor Braswell: I would like to have one every six months. Budget for one roundtable and one Town Hall meeting.
Rankin: Wouldn't that come out of the City's budget? I'm just asking.
Mayor Braswell: Barry Boatright has offered to let me use Christian Life Center. Budget two, we don't necessarily have to use it. First State Bank has offered to pick up the meal next time.
Rankin: Vetoni's offered to pick up the meal today but we declined.
Janow made a motion that we have two of them. I've brought the idea of having a Lapasod Boat Parade. That doesn't have to be in December. After a brief discussion Mayor Braswell suggested getting with the City's event planner, Mickie Rainey.
Rankin suggested going through the City Manager Gerry Boren.
Damiano: The consultant firm went from $44,000 to $30,000.
Rankin: I only put in what was on the contract this year and removed what Connie had had in that same line item.

Damiano: Legal Fees: I know we've had an interesting year legal fee wise. Are we anticipating the same this year?
Rankin: No I can say that 42% of our legal fees were due to the litigation of defaulted loans. You take 42% off of where we are currently we are in good shape. We will not be having any defaulted loans as far as I know this coming year. I don't expect the legal fees to be near as high. The other was matters brought up throughout the year was only 1.5% of our legal fees.
Damiano: But we are doubling our budget.
Rankin: We are due to the fact that we may be working on some projects that may require more contract work.
Damiano: Boots 2 Business: There was $500 put in there for marketing. We are waiting on some things from Connie. I'm not sure $500 is going to do it. What we are talking about doing is running an ad or doing something on a quarterly basis to keep it in front of the general public, which is obviously more than $500. I'd like to see an increase around $2,000.
Rankin: One thing we might want to discuss later on is putting some of that marketing budget that we are going to be putting ads into magazines and websites always adding Boots 2 Business with our marketing.
Damiano: We can do that but personally I want to stand alone. I think we get more recognition.
Rankin: We will add more money to Boots 2 Business. We doubled the money for the Roundtable.
I received an email from our City Manager with the following comments and concerns:
The amount that was approved was for $60K. This is for an Executive Director for the EDC. The EDC would not have an Executive Director for at least the first quarter according to Gerry. He thinks we should add to the budget at least three quarters for an Executive Director. There has not been discussion with the EDC Board about an Executive Director. I know there was a motion made that Gerry and I would look into it, do a job description and with that being our directive from the City Council that's where we stand today. But we should go ahead and under their direction put something in budget and have it there if it moves forward.
Could not understand comment from Councilman Dennis Baade.
Damiano: If you use a headhunter you've got another eighteen thousand if you are paying a base of $60K. What I'm also missing in the $60K, Pat you can help me out, that's not a loaded number unless that's a base salary plus benefits. They agreed that benefits run about a third.
Mayor Braswell: A minimum wage salary for an E.D. was around fifty six thousand dollars.
Agreed that 60K was a base salary.
Ron Wyrick: Could not understand his comments.
Rankin: I would like all of us to have a nice discussion because there are so many factors to this. As far as putting it into our budget today, I will go ahead and all of us can agree to put some money in here, but I think there has to be some in-depth detail discussion before we ever move forward.
Comments from Ron Wyrick.
Rankin: For budget purposes I'd suggest we put in a hundred thousand. It's under the direction of the City Council.
Discussion continued on the hiring of an E.D.
Damiano: We are going to have to put together a strategy to find one.

Board Member - Pat Cassady: Motion was made to put in $100K for the recruitment and associated cost for an Executive Director.
Board Member - Gary Damiano: 2nd
President - Linda Rankin: Approve
Board Member - Gary Damiano: Approve
Board Member - Pat Cassady: Approve
Board Member - Jim Cavanaugh: Approve
Board Member - Sandy Janow: Approve
Board Member - Jim Osborne: Approve

City Manager's concerns:
ED Sales Tax-City anticipates 2.2 %, Cavanaugh estimated 1.5% increase. If that's what's the City thinks the EDC should use, we will.
Osborne: I don't know how they would anticipate an increase with the lake dropping to where it's about 4 feet right now. A lot of our lake activity is going to stop unless we get some rain. We may have the best part of summer through with what's going on with the water levels.
Rankin: Last year we only went with 2%.
Osborne: I think this is a realistic number that's here from a safe standpoint. I don't see any indicator that we are going to do more business.
Damiano: Jim, I agree with you. I thing I've seen with each passing year of low water the economy deteriorates a little bit more.
Rankin: We are safe at 1.5%.
Damiano agreed. Osborne said keep it at that.

Project Cost.
Town Center Development: Budgets amount is $200,000.-Comment: Project was approved for only 60K for Phase I. Rankin thought the $60K had been used up. This was to accommodate for future use.

Business Park: Current budget amount: $74,418. New budget lowered to $20,000. Project only approved for $17,500. Is this in addition to the $17,500? Yes it is; paid 8K so far, yes. We will be going back to the board for additional amount to do the second site. We put money in for the second site study.
Damiano: No, the $17,500 was to cover two sites.
Osborne: Right.
Rankin: Let me explain one more time. Whenever we used a directive to extend the concept for the first site we used up the additional money for the approval. That was something we discussed when we wanted to find out more about putting in a municipality, a municipal district, we gave a directive to go ahead and do some research on the first site to see what that would take. That took up the additional funds we had for a second site. Because as I recall, Carlos sat in there and said we still have enough money in the budget to do that. The second site is going to cost us more money. I have confirmed that with P&K and Orasi.
Damiano: Have they said how much?

Rankin: That was to be given to me by today and I haven't seen it. I had to send this without information on the second site. Therefore in our budget we have additional money to cover the second site to be studied. O.K?
Project Office Space: Project that was approved was only $10K. Rankin: That's correct. There is a good chance that we may be coming back to the board for approval to possibly move forward with an incentive to help make that a reality. What was in last year's budget was $10K to help with the drawings if we needed it. Now as it entered into the new stage, which it's not at yet, we are going to go ahead for the next fiscal year to put enough money in there to move forward with an incentive to help make that a reality.
Damiano: Do you have any idea what those incentives are?
Rankin: No we haven't discussed them. I want to have it in the budget, have it approved so as we move forward we are not scrambling to get something approved and taking so long.

Skate Park: Added $200,000 Boren's comment: Maybe Park Improvements for Youth. I would lock into one concept.
Rankin: That hasn't been a topic of conversation to do that.
Damiano: What is meant by Park Improvements for Youth?
Rankin: That's a new category so to speak. Under Park Improvements you could put other things besides a Skate Park. I hesitate to be so vague when we are only thinking about one item. Any discussion?
Osborne: I think we ought to keep it the way we have it. Jim brought it up about the young man that sent a query about the skate park for the Gun Barrel youth so we put it in as a line item. This is about the amount of money it would take to do it; this is a specific project.
Rankin: What we are doing for the people watching this video tape. We are trying to provide something for the youth of this city. That's why we have an Aquatic Center as a project and that's why we have a Skate Park for a project.

Prospecting: Boren's comments: $15,000: Large sum and would recommend a policy and guidelines.
Rankin: This is something our board needs to look at.

Boren's comment: Should marketing of a project be in the project cost?
Rankin: The committee discussed that and we said 'no'. Because when we are marketing we will be marketing for a lot of reasons and for a lot of projects. I'm keeping all marketing separate from our projects. The project category has nothing more than the deal itself.

U.S. 175 Corridor Alliance: Project approved for $1,000. New budget indicates $1,275. Boren's comment: Question: is this additional?
Rankin: We decided to put this amount in there in case something comes up we need. This is just a cushion.

TEDC: Boren's comment: The Alliance membership should be here.

Rankin: The Alliance does not have a membership. Everyone simple puts into a fund, marketing dollars. There is no membership.

Restricted Reserve: Boren's comment: I'm concerned here because Dennis has always stated $150,000 was needed.
Rankin: Dennis, we put in the amount of dollars that remains for Emergicon revolving loan, because it will be going away unless they renew that. We only put $50,000 in there for that. Actually it should have been a $150,000. I think that is a mistake. For Emergicon we keep a $150,000 in the revolving loan fund. I will make that change.

Grant Consultant: Boren's comments: Do I bill for Mike's time?
Rankin: I thought we were already paying Mike's time.
Damiano: Mike who?
Rankin: Mike Howell.
Damiano: Why would we pay Mike's time?
Rankin: It was told to me that the EDC would pay $1,000 a year to handle our grants.
Cassady: That's the first time I've heard that.
Rankin: This is under grant consultant.
Baade: This was never in a budget that I prepared.
Evans: Sometime before Steve passed away, you all as a board agreed that if you all work with the City on different things, then the City would not charge the EDC for Mike's time. So we've actually never paid a $1,000.
Rankin: So going forward are they going to bill us? We would have to have an invoice. We decided to put a $100,000 for an Executive Director.
Office Expense/Telephone:
Boren's comments: This is the same with a 2% increase.
Rankin: I'll double check on that. That's everything that Gerry had. There was no further discussion on the budget.

Board Member - Sandy Janow: Motion to approve the EDC budget pending the changes that were discussed and agreed upon by the group that we would make.
Board Member - Pat Cassady: 2nd
President - Linda Rankin: Approve
Board Member - Gary Damiano: Approve
Board Member - Pat Cassady: Approve
Board Member - Jim Cavanaugh: Approve
Board Member - Sandy Janow: Approve
Board Member - Jim Osborne: Approve

Item #2. Discuss and/or take action to approve the billboard graphics.

Rankin: The logo would be a 3D cut out and would stand away from the billboard. The billboard has a leaning issue now. We will probably be out some money to straighten the billboard.

The three slogans presented were: We're Growing, Businesses Wanted; Big Dreams Grow Here, Businesses Wanted; Success Grows Here, Businesses Wanted. Once we choose our slogan we can choose our picture.
Damiano suggested rotating the slogans out every so often.
Rankin: It's $650.00 to have it printed and $650.00 to have it installed unless prices go up.

Board Member - Gary Damiano: Motion to accept the slogan "We're Growing" for the billboard project.
Board Member - Jim Osborne: 2nd
President - Linda Rankin: Approve
Board Member - Gary Damiano: Approve
Board Member - Pat Cassady: Approve
Board Member - Jim Cavanaugh: Approve
Board Member - Sandy Janow: Approve
Board Member - Jim Osborne: Approve

Rankin would go back to the artist to for additional graphics for the billboard.

Item #3. Discuss and/or take action to approve or disapprove payment of Adam's Engineering invoices for May 31, 2014 and June 30, 2014.

Rankin: We had a meeting with Curtis Webster, Jim Cavanaugh, Gary Damiano and me. Curtis was good enough to contact Adam's Engineering and we got everything squared away on what we owe them for and how much it's going to cost to complete the project. The dollar amount has not changed. If you all have no objects we can go ahead and pay the two invoices.

Board Member - Sandy Janow: Motion to approve the payments owed to Adams Engineer.
Board Member - Jim Osborne: 2nd
President - Linda Rankin: Approve
Board Member - Gary Damiano: Approve
Board Member - Pat Cassady: Approve
Board Member - Jim Cavanaugh: Approve
Board Member - Sandy Janow: Approve
Board Member - Jim Osborne: Approve
Damiano made a motion to adjourn. Osborne seconded. All voted 'aye'. Motion carried.

Approved by: Linda Rankin
Linda Rankin, President

Attest by: Pat Cassady
Pat Cassady, Secretary