

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

The Gun Barrel City Economic Development Corporation met in a regular Board meeting at the office located at 1720 West Main Street, Gun Barrel City, Texas, 75156 on Tuesday, February 19th, 2013 at 5:00 p.m. Webster called the meeting to order at 5:00 p.m. with the following directors present: Baade, Spiegel, Cavanaugh, Cassady, and Rankin. A quorum was established. Sandy Janow was absent.

Citizens present: Michael McDonald/Payne Springs, Connie Holubar/PR Outreach/Jack Thompson & Lance Reordan/Orasi Development arrived at 5:50 pm. Executive Director Don Shirley/Connected Texas

Citizen's Comment: None

Connected Texas presentation:

Under the guidance of the Texas Department of Agriculture, Don Shirley oversees the management and administrative aspects of the initiative, as well as supports the design and implementation of a statewide broadband deployment strategy.

Don Shirley routinely gives presentations and creates materials for communities, local organizations, individuals, and other entities on the importance of the adoption, access, and use of broadband.

Connected Texas encourages partnerships with both private and public entities. They value the insights that state agencies, private industries, community groups and non-profits provide in promoting adoption, access, and use of broadband in the state. The directors as well as Mr. McDonald of Payne Springs were interested in learning more about the program and ways it could benefit the area. Mr. Shirley would put together an outline for further review. Linda Rankin would be the contact person to work with Connected Texas.

Item #1. Discuss and take action to approve the minutes of the regular board meeting of January 15th, 2013 and minutes of the special board meeting February 11, 2013. Spiegel made a motion to accept the minutes as written. Baade seconded. All directors voted 'aye'. Motion carried.

Item #2. Discuss and take action to approve the January 2013 financials. Cavanaugh reported no major changes. Sales Tax revenue was up 4.5%. Sandy Janow had talked to Michael Thompson about his delinquent loan, but was not present to update the directors. Spiegel made a motion to approve the financials. Kristina Keathy/GiGi Salon had paid off her revolving loan. Rankin seconded. All directors voted 'aye'. Motion carried.

Item #3. Discuss and/or take action on revision of EDC Bylaws. Dennis Baade, Larry Spiegel and Linda Rankin made up the committee to revise the Bylaws. The last revision of the Bylaws was in 2006 Jeff Moore, EDC Attorney had reworded some of the state statues in Article I. The majority of changes were made to Article II-Board of Directors and Article V-General Provisions. Baade made a motion to approve the revisions. Spiegel seconded. All directors voted 'aye'. Motion carried.

Item #4. Discuss and/or take action on any issues with the old City Hall Property. The demolition company was anxious to begin clearing the property. The 'For Sale' sign was ready to be placed on the old City Hall Property. The council would be presented with an Ordinance that allows the transfer of the old City Hall property to the EDC. There would be an agreement between the City and the EDC that allows the EDC to sale the property. Three parcels make up the property and all title work was clear. There was time to move Meals on Wheels to the ETMC building. Thompson continued to pursue targeted retailers and restaurants for the site. This was a no action item.

Item #5. Discuss and/or take action on the PID status and Heritage Cove land sale. Dennis and Lance had met with the City Manager, Mayor, Mayor Pro Tem to discuss City

Manager's concerns with the proposed PID. The chief concerns were lack of grant funding and credit risk to the EDC and later the City if the direct PID debt is issued resulting from potential non-payment of PID assessments. Also there was a concern of who would manage the PID. Thompson and his firm would be responsible for the bookkeeping on the PID. Baade had met with John Grove and John was willing to move his digital sign to the main entrance of Heritage Cove if he could get permission. Baade was working with an appraiser in Dallas that would contact Henderson County Appraisal District to see if they could get the Heritage Cove property value lowered. This would be no cost to anyone. Thompson said the PID boiled down to risk. Was the EDC willing to risk a PID, including delayed repayment or partial non-payment? Spiegel felt it was a mistake to do nothing. Webster said the EDC directors were in agreement and willing to spend the \$350,000.00 and incur the risk. Webster said the EDC would be repaid the assessment on any property that was sold. Lance said that would mean that the EDC would have a lien on property. The PID language would be revised to reflect the lien. EDC Attorney would review the PID document. The next step would be to organize a workshop with the City Council and the EDC Board to discuss the proposed PID, ease concerns, and generate support.

Item #6. Discuss and/or take action on requirements for the next steps of the industrial park. Thompson/Reordan had researched the price of land at Hwy 175 and Hwy 334 to build the industrial park. They were asking five hundred thousand for sixty three acres that sets east of Hwy 175. They were asking a million dollars plus for the twenty-five acres at the corner of Hwy 175 and Hwy 334. The possibility of using the Texas Capital Fund on an industrial park was discussed. After discussion it was decided that it would be best to use the 60 + acres the EDC already owned. Infrastructure would be discussed later.

Item #7. Discuss and take action on EDC marketing. Orasi had managed the updating of graphics and copy for two magazine ads under Larry's direction.

Board of Director Comments.

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).

Adjourn: 6:53 pm

Dennis Baade resigned from the EDC Board effective February 20, 2013 in order to comply with the City Charter. Baade wanted to finish the three projects he was working on and would be an advisory to the Board. Rankin spoke to Liza/Applebee's and said Applebee's would not sign the performance agreement until they obtained a C.O. with the City.

Approved by:



Steve Webster, President

Attest by:



Pat Cassidy, Secretary