

## 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, May 21<sup>st</sup>, 2013 at 5:00 p.m. Rankin called the meeting to order at 5 p.m. with the following directors present: Spiegel, Cavanaugh, Janow and Damiano. A quorum was established. Steve Webster and Pat Cassady were absent.

Citizens in attendance: Connie Holubar/PR Outreach, Dennis Baade/GBC Councilman.

Citizen's Comment: Dennis Baade informed the directors that County Place Living (CP4) was scheduled to close on Wednesday. He asked the directors to consider leaving \$50,000 in the 2013/2014 budget for the Boots to Business project. Baade and Rankin would coordinate a quarterly workshop with city council.

Item #1. Discuss and take action to approve the minutes of the regular board meeting on April 16th, 2013.

Spiegel made a motion to approve the minutes of April 16<sup>th</sup>, 2013. Damiano seconded. All directors voted 'aye'. Motion carried.

Item #2. Discuss and take action to approve the April 2013 financials.

Cavanaugh reported that the EDC had purchased the old city hall property. Emergicon, LLC had made their first draw. Mike Thompson had made a partial payment and had reopened his body shop on Legendary Lane. Tip-Top Auto had made their first payment. Audit fees had been paid. Sales tax revenue was up approximately 2% from last year.

Spiegel made a motion to approve the April financials. Damiano seconded. All directors voted 'aye'. Motion carried.

Item #3. Discuss and take action to accept Fiscal Year 2011-2012 audit.

Rankin mentioned the audit had been done by the same firm for quite a few years. The audit firm suggested that a Capitalized Threshold written policy would be beneficial for the EDC, but was not a significant deficiency or a material weakness. They recommended a written policy be adopted setting a threshold for capitalizing assets. A discussion followed on whether a policy would be beneficial or necessary for the EDC. Cavanaugh was asked to work on a written policy.

Spiegel made a motion to accept the Fiscal Year 2011-2012 audit. Cavanaugh seconded. All directors voted 'aye'. Motion carried.

Item #4. Discuss and/or take action to accept the bid proposal for the demolition of the old City Hall Building and Brawner Hall from K.K. Maintenance, Inc.

This item had been discussed at a previous meeting and everyone was in agreement to hire K & K Maintenance. There was no motion made at the previous meeting. Spiegel made a motion to accept the bid proposal from K & K Maintenance, Inc. Cavanaugh seconded. All directors voted 'aye'. Motion carried.

Item #5. Discuss and/or take action on the PID or other options for Heritage Cove.

No discussion and no action taken on this item.

Item #6. Discuss and/or consider taking action on the industrial/business park feasibility proposal.

Orasi presented an updated Feasibility Study & Site Analysis Proposal based on reduced scope provided by the Board at the April meeting.

## **Industrial Park/Business Park Feasibility Study**

### **Scope of Work:**

- Analysis of Potential Industrial /Business Park Sites in the City
  - High-level Infrastructure Needs to Support the Park
  - Estimate of Required Costs
  - Sites to Consider Include:
    - Crater Site &/or Corner Site at 175/334
    - Site at 334 at Gas Line
    - Site on Highway 198 behind Lowes

### **Budget:**

Total Fixed Pricing of \$17,500, inclusive of the following items:

- Pacheco Koch Preliminary Site Engineering Analysis
  - Availability of existing public utilities
  - Determination of infrastructure requirements based on available information:
    - Water Mains
    - Sanitary Sewer Mains
    - Storm Sewer Mains
    - Storm Water Detention Facilities
    - Gas Mains
    - Power Facilities
    - Roadway Extensions and/or Improvements
    - Preliminary Earthwork Requirements for Pad Sites
  - Determination of developable acreage for each site
  - "Opinion of Probable Construction Cost" for the development of infrastructure improvements as shown in existing master plan documents or as directed by client.
- Orasi Site Research & Preliminary Master Site Planning
  - Creation of preliminary master plan documents for each site to be utilized by Pacheco Koch
  - Obtain property boundary survey for utilization by Pacheco Koch if available
  - Analysis of site availability and pricing, including pricing, potential for subdivision of sites into small initial acquisition site and options for future expansion
  - Recommendations on marketability and overall value of each site, incorporating PK's analysis, and recommendations for next steps in the development process

After discussion of the feasibility study, there was no action taken.

Item #7. Discuss and take action on EDC marketing prospects.

Spiegel's marketing report:

The EDC had bought the back page of 'Destination East Texas' magazine that was displayed at the Texas state line visitor information centers. A page about Gun Barrel City was also in the magazine. The

twenty-three (23) property videos were on the website. Spiegel hoped to update the videos on a quarterly basis. A new billboard theme 'stop commuting' was being designed and would be approved by the board at a later meeting. A direct marketing package to gun manufacturers had been previously discussed and a new concept was presented to the board members using a marketing cover letter and attaching the 'key to the city'. If the 'key to the city' can be manufactured for \$22.00 and ready in two or three weeks, Spiegel would proceed with this marketing strategy. Cavanaugh made a motion to authorize up to \$250.00 for Spiegel to prepare and execute a mailing to gun manufacturers. Damiano seconded. All directors voted 'aye'. Motion carried.

**Holubar' marketing report.**

Holubar updated the board on Laurie O'Neal's visit to Gun Barrel City. The Monitor had printed a clarification on the article that was in the paper concerning Laurie O'Neal's visit. The City was not participating in the 'Texas Open for Business' program. The directors discussed the need to have a Designated Community Economic Developer (DCED) for the EDC. This would allow the EDC to receive direct prospect leads. There were requirements for this program and the next scheduled course was in June, but the class had been filled. Spiegel said the person had to be a full-time employee. With Rita being the only full-time employee and if she accepts this position, she would be the specialist and would take the \$700.00 course as soon as space was available. The paper work could be completed now. The other options would be to receive the prospect leads through Oncor and start receiving the reports tomorrow. O'Neal wanted the Oncor rep to meet with the directors to pursue this program as well as see other parts of the city. The Oncor rep could explain the leads and how other cities used them. Holubar had written a brochure for 'Boots for Business' It would be approved by the 'Boots to Business' committee. She was working with Ben of Sugar Rock to design and print the brochure. Spiegel made a motion to approve up to \$500.00 for the brochure. Janow seconded. All directors voted 'aye'. Motion carried.

**Orasi's marketing report:**

**Old City Hall Site**

Orasi electronically distributed a new promotional piece to more than 900 prospective brokers and retail/restaurant prospects that received the information packets. Jack sent several packets to developers he has completed deals with in the past and they are taking the information he provided to the ICSC RECON show in Las Vegas to determine if any of the retailers and restaurants they work with have an interest in the site. They had a couple of feedbacks, but felt the price of property may be too high.

**Next Step:** Jack and Chelsea are continuing to make personal calls to the targets to identify interested prospects and arrange for follow-up meetings. Jack will also follow up with his personal contacts to determine what the responses were at ICSC RECON.

Rankin reported that John Hinkley had talked to Steve about the EDC buying his property that the Ranch House sets on.

The property was on the EDC website.

**Firearms Manufacturers Campaign**

Concluded the project.

**Next Step:** None

**Billboard Advertising**

Provided copies of the files for the green and yellow colored billboard art to Larry.

**Next Step:** None

**Board of Director Comments.**

Damiano had went out to the Texas 'Open for Business' website for companies that are interested in learning about doing a new business in Texas. There is an eleven page questionnaire that has to be completed. Damiano felt the application was a little to long without even talking to someone. He sent an

email to the director of the organization stating that he was thinking of moving a business to Texas. That was a week and a half ago and he had not heard back from anyone.

Applebee's Update from Linda:

Applebee's was being silent. Rankin said they didn't want to build until next year. The performance agreement that is not signed by Applebee's ends December 31 and may not be renewed. They've moved on to Houston and they've built six or seven Applebee's she reported. They are going to cities that put money upfront.

Rankin informed the directors that Gerry had been working with Chili's on an expansion plan that would include 560 square foot patio with 13 tables and 42 seats. Option one would cost \$55,408.73 and does not include awnings.

Option two: costs associated with a 560 square foot patio with 13 tables and 42 seats covered with a canvas awning with lights, fans and TV's would cost 74,908.73

They would probably hire five employees. They have not asked the EDC for financial assistance, but Gerry asked Linda to bring it to the director's attention. Rankin would visit with Bill Moomaw to find out if they were going to ask for financial assistance.

It would be discussed at the next 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).

Adjourn: 7:35 p.m.

Approved by:

  
Linda Rankin, Vice President

Attest by:

  
Jim Cavanaugh, Treasurer