

**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, October 15, 2013 at 5:00 p.m. Rankin called the meeting to order at 5:00 p.m. with the following directors present: Damiano, Cavanaugh, Braswell, Osborne and Cassady. A quorum was established. Sandy Janow was absent.

Citizens in attendance: Mayor Paul Eaton, City Councilman Curtis Webster, City Councilman Melvyn Hayes and wife Wanda Hayes, Frank Minich/citizen, Connie Holubar/Outreach PR and Jack Thompson/Orasi Development.

Citizen's Comment: None

**Item #1:** Discuss and take action to approve the regular minutes of September 17, 2013 and special minutes of September 30, 2013.

Cassady made a motion to approve the regular minutes of September 17, 2013 and special minutes of September 30, 2013. Damiano seconded. All directors voted 'aye'. Motion carried.

**Item #2:** Discuss and take action to approve the September financials.

Cavanaugh reported sales tax was up \$8,322.00 for the fiscal year even though the area was in a drought. The majority of project expense for 2012/2013 was unspent and was rolled over into 2013/3014 budget. Defaults had been addressed. Cavanaugh suggested identifying and prioritizing projects for the next fiscal budget. The EDC's 2.31 acres had been sold on October 15, 2013. There were no unusual expenses for September. Braswell made a motion to approve the September financials. Cassady seconded. All directors voted 'aye'. Motion carried.

**Item #3:** Orientation from TEBS.

The EDC directors voted on using the services of TEBS at the special meeting on September 30<sup>th</sup>, 2013. Terry Hinkle explained the services that TEBS offered. The services of the company could be customized to fit the EDC's requirements. A service agreement was required, but no contract was necessary. The EDC would be issued a user name and password after the agreement was signed. The EDC would be billed monthly based on the reports that were obtained. No action was taken.

**Item #4:** Discuss and take action on Boots 2 Business Grant – Project 2013-001 – Marine Landscaping. (Braswell / Holubar)

Tom Terrell of Marine Landscape had called earlier in the day and said that he hadn't received a copy of his DD2-14 (discharge papers) the Boots 2 Business committee required. He asked to be on the EDC's next agenda. Rankin suggested going ahead and approving the project without the

discharge papers. If approved, the project would have to wait the required 60 day notice. Curtis Webster thought it would be best to wait on the discharge papers, because it proved he was in the service, outlined his date of service and any recommendations.

No action was taken on this item.

**Item #5:** Discuss and take action to consider further concessions to be made to Silverleaf regarding the drainage shed costs.

A 380 agreement between the City, EDC and Silverleaf had been approved on March 27, 2012 that outlined the cost that would be split between the parties involved. Silverleaf had fulfilled all of their obligations, but had spent more on improvements to the off-site storm detention and drainage and other off-site improvements. This improvement would also benefit the City and the EDC in future development of the area. Silverleaf Senior Housing was a successful project with a 2 year waiting period for the affordable units. Braswell made a motion to approve a concession of \$10,000.00 to Silverleaf. Osborne seconded. All directors voted 'aye'. Motion carried.

**Item #6:** Discuss and take action regarding the establishment of an available land data base and setup of realtor notification system tied to the internet page for the EDC. (Damiano)

Setting up a land data base would be beneficial with the Texas Wide Open for Business program as well as the other businesses that came to the EDC looking for land. Prospects from the Texas Wide Open for Business provide criteria on land and other amenities needed and the required turnaround time on responding is very short. A land data base in place would allow all the property around the area to be considered. It would be a way to communicate with realtors. Would it be best to list the EDC land on the EDC website or advertise in the newspaper? Mayor Eaton mentioned the reasons land negotiations were usually kept low key. Curtis Webster suggested becoming a member of the Henderson County Realtors. Currently there was a business interested in coming in to GBC, but there needed to be more specific information on the business and their needs. Damiano said the purpose of the data base was to have information on what land was readily available. Rankin said this could be discussed further in the upcoming workshop. Webster said the City had recently done a moratorium on zoning and the City had no control over the ETJ. There was plenty of land between Hwy 198 and Hwy 175 that was not zoned. No action was taken.

**Item #7:** Discuss and take action to approve survey for a potential business park. (Rankin)

Rankin said the agenda should have read 'to approve a feasibility study' for a potential business park. The city manager and Jack had spoken to Linda about the feasibility study. The information in the EDC Board packet would need some tweaking. Rankin said the feasibility study has to be done in accordance with what the EDC needs and for an EDA grant the City is

working on. The feasibility study not only has to provide data for the EDA grant that needs to be written quickly, but also has to focus on the business park. Thompson said we had a workshop last month about the priorities for the EDC and one priority was to do a business/light industrial park. Gerry and Linda are working on an EDA grant from the Feds that will pay for infrastructure that would go toward a business park. Before you dive into the grant you have to decide where you want to build a business/light industrial park and how much it's going to cost. Thompson's firm would work with their engineering firm to identify the land, in and out of city limits, and cost of bringing in utilities. Rankin asked about a time line on the study. Thompson said if the feasibility study was approved tonight it would take 2-3 months. Rankin explained to the new members that the feasibility study was started around a year ago and the land had been chosen at that time. If land was selected outside of the city limits the land could be annexed into the city. It was established that the board needed more clarity on the scope of work for a feasibility study along with the City Managers input. Thompson would rework the study and send it to Linda. A special meeting to approve the contract on a feasibility study would be called in the future. Cavanaugh made a motion to table item 7 until the directors could see more detail of the contract. Cassady seconded. All directors voted 'aye'. Motion carried.

**Item #8:** Discuss and take action on purchasing Smartsheet software.

Cassady asked if the purchase of the software was with the City or would the EDC purchase the software separately. The EDC and City would not have shared access to information and would be purchased for the EDC only. The software came with three creators, but if more creators were needed, they can be purchased. The other users would be known as collaborators. Braswell said if we are all entering information, what is the final product? Rankin said for her purpose it would allow her to see if everyone was working on their project, but for a director it would allow them to see where they were at on the project and what steps needed to be taken. Cassady said this would allow everyone to view what everyone is doing. The cost is \$425.00. Cassady made a motion to purchase the Smartsheet software for the EDC. Osborne seconded. All directors voted 'aye'. Motion carried.

**Item #9:** Discuss and take action to begin the Heritage Cove Improvements as it relates to the reopening of the cinema.

Rankin reported that she had not received a call from the bank or new owners of the cinema stating the closing papers had been signed. Cavanaugh said the discussion here should be what do we want to do and when do we want to do it. Rankin said she would like to go ahead and start purchasing the lighting and the signage. Rankin felt the signage was the most important. Cavanaugh asked about proposals for sidewalks. Rankin was as concerned about sidewalks right-a-way as the lighting. With the sidewalks all of the requirements for the disable would come into

play and that could be quite expensive. Gerry and Linda were working on this project. Rankin said she brought it up just in case she had to take action she needed to know everyone was on board. Cassady asked if anyone had any numbers on this project. Rankin said what she needed the most was the sign and she needed to do a plan. Cavanaugh said what the EDC needed was a process. Thompson said Chelsea was working on the signage. She had contacted several companies about digital and antilog signs and the cost associated with the signs. Rankin said they would get the estimates and come back to the board. Damiano asked who would own the site where the signage would be placed. Amy Zapletal had mentioned they would be willing to donate the land for the sign. The land would have to be replated for this purpose. Damiano asked if every entity within Heritage Cove would be promoted. Was it a pay for placement? Would all the movies be listed? Thompson said they were looking at 30-40 foot signs to accommodate everyone. Rankin said they wanted to do an association of property owners and they would be in charge of the signage, the lights and the area. As it stands today, no one has done anything. We've got to at least get a sign in there. Damiano said the EDC not own it, you can't lay out sidewalks and lighting until you own it. Rankin said the property owners on the west side are giving the easement to the EDC. John Groves said his sign could be moved to the corner, but Rankin didn't want the sign moved. She thought it served its purpose there. Rankin wanted to go back to the Tax Increment Financing for Heritage Cove, but it wouldn't serve the interest today. Rankin said she and Jack would move forward and as soon as Smartsheet was up everyone would be kept up to date on the project. No action taken.

**Item #10:** Discuss and take action to approve EDC employee a 1% salary increase consistent with the city staff.

Rankin said the City was able to give the employees a raise this year. They City staff had not had a raise in years. Cassady made a motion to grant a 1% salary increase consistent with the city staff for the EDC employee. Osborne seconded. All directors voted 'aye'. Motion carried.

**Item #11:** Discuss and take action to review and/or renew Outreach PR contract.

Connie Holubar submitted a contract proposal that outlined her services to the EDC. Previously she had submitted a proposal to Steve that was approximately \$3,500 a month. The previous board picked out Public Relations and Community Relations as her main service to the EDC. Rankin asked if it would be advantageous to pay her by the project. Holubar said it wouldn't benefit her business because she is a small business owner and she prefers to know her revenue stream. The EDC received her consistent attention as she was always in contact with Rita and the directors. The EDC projects fluctuate. Damiano asked about what the EDC was doing that we shouldn't be doing and what should we be doing that the EDC was not doing. Holubar said what the EDC is doing that we should be doing by making public presentations, but we shouldn't be

doing so without letting the rest of the group know or going to the newspaper without letting the rest of the group know. She said she and Jack were there to help and she felt like sometimes they were left out and we could offer some expertise that you may or may not have. She was the contact person for her other clients. She thought the EDC needed communication strategy for every project. The EDC isn't really involved with the cinema, other than the sign, so whether it was the EDC's role to announce the opening of the cinema, legally and legitimately we don't, but we could offer that service to them for free. We did the same for Silverleaf and got the big story in the paper. Holubar encouraged the EDC to use her services. Numerous people had approached the directors for information on the cinema. Rankin said she would like the board to approve the contract tonight because she liked Connie's work. Cassidy made a motion to approve the Outreach PR. Braswell seconded. All directors voted 'aye'. Motion carried.

**Item #12:** Discuss and take action on EDC marketing report. (Thompson)

Thompson's report stated he was working on the old city hall property, GBC Business Park, looking for a 10 acre site for Project Texas, signs and lighting for Heritage Cove, RBEG Grant and the sale of EDC land at Luther & Church St. It was requested that he log the calls that his firm made on the old city hall property. The monthly report needed more detail. A TIF & PID could be resurrected for Heritage Cove. Lance had been working on qualification for Emergicon in regards to an RBEG grant. Damiano said they didn't qualify, because they were a corporation with to many employees and revenue. No action taken.

**Item #13:** Discuss and take action on review and/or renew consulting agreement for Orasi Development, LLC/Jack Thompson.

Thompson said this was a typical service agreement that he used with other cities. The basic services are the highlights of his agreement, but other services could be added. Usually he spent approximately 20 hours per week working on EDC projects, but lately his firm had gone past the 20 hours. The PID & TIF assignment and Project Montana took a considerable amount of time. If it gets to where they were working 40 or 50 hours a week then he would come back to the board. The 2008 agreement stated he was required to work 70 hours a month, but over the last few years he just took direction from Steve on the services needed. Rankin explained that some people assumed that Jack's role was to go out and secure new businesses. That was his responsibility. They didn't know that we are using him for a feasibility study and marketing material on a last minutes notice. Cassidy said Jack brings expertise in the economic development arena and that's where he added the greatest value. Jack also knew what other economic developments and cities were doing. Rankin asked how his firm differed from Retail Coach. Thompson said Retail Coach provides demographics and leakage reports for your city.

Orasi provided demographics, finance & development, and ED policy strategy. You all could go with Buxton's and pay 70 grand a year, and their research is a little more thorough. Retailers that were coming into a city would always have their own demographics. Rankin asked Thompson if his focus was sort of medium; it's not a big general package detailed as the big guys? Thompson said they pretty much covered everything under the area of economic development; marketing, branding, public relations. Their services were not needed in PR since Connie was hired for PR. He had four full time employees and used sub contractors whenever he needed to. Thompson had been with the EDC since 2007. Osborne asked Thompson if he felt a sense of openness with the group. Thompson said he and Linda had talked and Linda wants Thompson to be more involved with the group. Osborne said he liked the fact that Thompson believed in himself. Holubar asked that the group used the locals for marketing. Linda asked if the board wanted to take action to renew the agreement with Orasi tonight. Linda said she wanted to set down with Thompson and make sure the contract was more detailed so the City is happier with it, but as far as our agreement to work with him and the terms in the agreement, I think we can move with that. Cassidy asked when the agreement was up. The last agreement was signed in 2008. Cassidy thought they voted to renew his agreement every year, just didn't sign a new agreement every year. It was pointed out that a new agreement was not made and signed. Linda asked if she and Thompson work on the agreement and the directors move to approve it so the board could keep Thompson on board. Cavanaugh said continue funding and detail out the contract. Thompson said on our retainer we just put down everything we can do. Damiano said he didn't know what the basic deliverables were under the contract versus what you could do. Thompson said Steve just liked to keep things very general. For a while we didn't even do a contract. Cassidy made a motion that we accept the overall agreement, with more detail required in it, plus the same requirements for reporting-the monthly reporting that we've talked about included. Cavanaugh seconded. Cassidy, Cavanaugh, Osborne, Braswell and Rankin voted 'aye'. Damiano voted 'nay'. Motion carried.

**Item #14:** Discuss and take action on the philosophy and process for REBG requests.

Damiano was not sure who made the decisions, the committee or the EDC on the grants. He explained that the grants were paperwork intensive. Would the EDC want to set a minimum dollar limit and if so, what would be the minimum? They would have larger loan amounts and fewer projects, but it would decrease the paperwork. Cavanaugh said since they had a six month window, the larger projects made sense. Rankin said she thought they had already decided on this. Rankin suggested making the minimum limit \$50,000, but if one came to the EDC with a \$40,000 request they would still do it. Damiano made a motion to establish the RBEG grant guideline to be a \$50,000 project or larger. Cassidy and Osborne seconded. All directors voted 'aye'. Motion carried.

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: 7:10 p.m.

Approved by:   
**Linda Rankin, President**

Attest by:   
**Pat Cassidy, Secretary**