

**Athens Economic Development Corporation  
Board of Directors Meeting  
Minutes for June 17, 2016**

The Board of Directors of the Athens Economic Development Corporation (hereafter referred to as AEDC) held a Regular Board Meeting at 9:00 a.m. on Friday, June 17, 2016, in the Derek Daniels Board Room of the Athens Partnership Center, 201 W. Corsicana, Athens, Texas.

Directors present: Jess Laird, President, Maurice Cox, Carmen Hunt, Cliff Barrett, John Trent

Directors Absent: Jeaneane Lilly, Will Traxson

Staff present: Lisa Denton, Susan Jacobs

Guests: Philip Rodriguez, City Manager; Mayor Jerry Vaught, City of Athens; Kevin Habibelahian, Holdredge, Shaddox & Habibelahian; Gary Traylor, Traylor & Associates; Thanasis Kombos, City of Athens

**Call to Order**

The meeting was called to order at 9:00 a.m. by President Jess Laird for all agenda items. A quorum was present.

**Declaration of conflict of interest**

None stated

**Citizen Comments**

None

**Director's report on AEDC Achievement**

Ms. Denton reported that AEDC was recognized at the state conference on economic development with a Certificate of Achievement for Economic Excellence. This award is presented to Economic Development firms that have met a certain threshold for professional development. AEDC was 1 of 34 communities honored with this award.

**Consider discussion and possible approval of minutes from the following AEDC Board Meetings:**

- A. May 17, 2016**
- B. June 13, 2016**

John Trent made a motion to approve the minutes from May 17, 2016 and June 13, 2016, as presented. Carmen Hunt seconded the motion. Motion passed 5-0

**Consider discussion and possible action on the following items associated with AEDC Financials:**

**Summary of May Financial Report:**

- A. Revenue**- Total revenue for the month was \$171,434.04; sales tax accounting for \$135,949.66 of that amount. Sales tax collections were up 13.7% over this time last year. Sales tax collections are up 3.59% for the year (as of 6/2016).
- B. Expenses**-Expenses for the month totaled \$35,174.57.
- C. Balance Sheet**-The Balance Sheet shows the corporation has \$1,997,161.73 in liquid assets, as of May 31, 2016.
- D. Commitments/LTD**-AEDC has ED project commitments totaling \$1,026,425 and Long Term Debt Obligations of \$2,128,248.01.

Ms. Denton presented a new chart reflecting project commitments. This gives a more accurate view of AEDC's commitments over the next five years.

Kevin Habibelahian, from Holdredge, Shaddox & Habibelahian, LLP, presented an updated cash flow statement for board input. The Board agreed that this format worked best for planning purposes.

Cliff Barrett made a motion to approve the May financials. Maurice Cox seconded the motion. Motion passed 5-0

**Consider discussion and possible action on the following items associated with AEDC Business Assistance Grant Program**

**A. Approval of grant payment to Clint and Sheila Davis**

Staff has reviewed compliance documentation received from Clint & Sheila Davis, for the painting and parking lot improvements at 905 W. Corsicana St. Staff recommends approving payment of the grant, in the amount of \$4,915.

Carmen Hunt made a motion to approve payment to Clint and Sheila Davis, in the amount of \$4,915, for improvements made under the business assistance grant. Maurice Cox seconded the motion. Motion passed 5-0

**Consider discussion and possible approval of the following items associated with FutureMatrix Interventional:**

**A. Compliance review of investment portion of Economic Development Performance Agreement dated July 22, 2015**

FutureMatrix committed to \$600,000 in real and personal property investment, at the lease facility located at 1704 Enterprise St. Staff has reviewed compliance documentation reflecting investment of \$633,780. Staff recommends payment of the incentive for investment, in the amount of \$20,000. Job compliance will be in July.

Cliff Barrett made a motion to rule FutureMatrix in compliance and approve incentive payment of \$20,000. Carmen Hunt seconded the motion. Motion passed 5-0

**B. Approval of Economic Development Performance Agreement for new expansion project.**

Ms. Denton presented the Economic Development Performance Agreement prepared by counsel for the expansion at 1605 Enterprise St. Company proposes \$3,300,000 in capital investment, and an additional 100 full time positions, over a three year period. In return, AEDC will transfer property valued at \$8500 to allow for an exit drive onto Wood St., pay up to \$100,000 for investment and up to \$91,500 for job creation over a three year period.

Cliff Barrett made a motion to approve the Economic Development Performance Agreement with FutureMatrix Interventional, with a change in Section V. 4., where term of default should be 3 years to coincide with contract term. John Trent seconded the motion. Motion passed 5-0.

**C. Approval of Deed for new expansion project**

Ms. Denton presented the deed to transfer the 50 ft. strip of property adjacent to FutureMatrix property and Wood St., as prepared by counsel.

Carmen Hunt made a motion to approve the deed of property to FutureMatrix Interventional. John Trent seconded the motion. Motion passed 5-0

**Consider discussion and possible action on the following items associated with the Athens Industrial Park:**

**A. Clearing of public drainage easements**

Ms. Denton presented the board with several pictures and a video of Enterprise Street following a rain storm, when the street was closed by the Fire Department for safety reasons. The area of heaviest flooding impact is due in part to a drainage easement, belonging to the city, that has not been cleared in several years. Ms. Denton has been working with city staff since early December in an attempt to get the easement cleared. City crews recently started the clearing process, but rain has kept them from returning to work in that area. Thanasis Kombos reported that this project will be ongoing, however, the city has other projects already committed on their summer schedule. Ms. Denton will set up a meeting with city staff to discuss the options to address this issue. The board feels that AEDC, and the city, have a responsibility to the Companies located in the business park and must address this issue promptly.

**B. Texas Capital Fund Grant**

Gary Traylor, with Traylor and Associates, informed the board that a representative from the Texas Department of Agriculture will make a site visit on June 23, 2016. A

Grant offer, in the amount of \$750,000, was awarded for the project. Since the award amount is less than the original request of \$1,000,000, options are 1) to resubmit for the June round of awards, or 2) accept the lower award amount and revise the project plans to narrow the scope of work. This could reduce the commitment of funds necessary from AEDC. The original cost estimate was \$1.27 million for street and drainage.

John Trent made a motion to accept the reduced grant of \$750,000, revise the project and increase the AEDC commitment up to an additional \$250,000, which would be a total of up to \$477,000. Cliff Barrett seconded the motion. Motion passed 5-0.

**Consider entering into Executive Session according to TEXAS GOVERNMENT CODE Chapter 551 to discuss following:**

At 10:19 a.m., Jess Laird, President, announced that the Board would retire into Executive Session pursuant to the provisions of the TEXAS GOVERNMENT CODE Chapter 551, in accordance with the authority contained in the following sections:

- A. Section 551.087 – Deliberation Regarding Economic Development Negotiations:  
Deliberations regarding negotiations with the following prospects:  
Prospect #1540

**Reconvene into Open Session and take any action resulting from Executive Session.**

The board reconvened into Open Session at 10:35 a.m.

**With no further action to be taken, the meeting was adjourned at 10:35 a.m.**

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Jess Laird, President

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Carmen Hunt, Secretary