

**Athens Economic Development Corporation
Board of Directors Meeting
Minutes for January 15, 2019**

The Board of Directors of the Athens Economic Development Corporation (hereafter referred to as AEDC) held a Board Meeting at 10:00 A.M. on Tuesday, January 15, 2019 in the Derek D. Daniels Room of the Athens Partnership Center located at 201 W. Corsicana Street, Athens, Texas.

Directors present: Jeaneane Lilly, John Trent, Carmen Hunt, Cliff Barrett, Randy Jones, Will Traxson and Cliff Bomer

Ex-Officio: Mayor Monte Montgomery

Staff present: Lisa Denton, Sherri Skeeters and Dede Sims

Guests: Deborah Deas, East Texas Arboretum

Call to Order

The meeting was called to order at 10:00 A.M. by President Jeaneane Lilly for all agenda items. A quorum was present.

Citizen Comments

None

Declaration of Conflict of Interest

None

Consent Agenda:

Cliff Barrett requested that Item C be pulled for discussion.

- A. Approval of Minutes from AEDC Board Meeting December 18, 2018
- B. Approval of Minutes from AEDC Community Development Grant Committee Meeting dated January 8, 2019

Randy Jones made a motion to approve the Consent Agenda. Carmen Hunt seconded and motion carried 7-0.

- C. Approval of December 2018 financial summary

Cliff Barrett shared that he preferred viewing the Profit & Loss Budget vs. Actual for the current period, rather than the budget year to date. Other board members preferred year to date. Lisa Denton offered that staff could include both formats to meet either preference.

With no further comments, Randy Jones made a motion to approve the December Financials as presented. Will Traxson seconded the motion and motion carried 7-0.

Consider discussion and possible action on the following items associated with AEDC Grant Programs:

A. Business Assistance Grant Program

1. Mark McCain project compliance and grant payment

The original projected cost of project was \$18,804.04, and was approved for a grant of up to 50%, or \$9,402.02. The actual amount spent was \$16,200.40; therefore staff recommends payment of \$8,100.20.

Will Traxson made a motion, seconded by John Trent, to approve grant payment of \$8,100.20 to Mark McCain. Motion carried 7-0.

2. Cameron Cravey & David Seeberger project compliance and grant payment

The original projected cost of project was \$34,075, and was approved for a grant of up to \$12,500. Compliance review shows the final cost matched original bid. Staff recommends payment of \$12,500.

Cliff Barrett made a motion, seconded by John Trent, to approve the grant payment to Cameron Cravey and David Seeberger in the amount of \$12,500. Motion carried 7-0.

3. 2019 BAG program review

Ms. Denton noted that with only two approved projects for 2019, there were still funds available in the current budget for additional projects, should the board be interested in a second round of applications. Board directed staff to leave the remaining funds and not move forward with another round.

B. Public Hearing on proposed expenditures for the following projects:

1. Henderson County Regional Fair Park

The public hearing was opened at 10:31 AM by Jeaneane Lilly. The grant request is for continued equine stall replacements. Total project cost is estimated at \$38,992. No comments were made, and the public hearing was closed at 10:33 AM.

C. Applicant recommendations from Community Development Grant Committee

1. East Texas Arboretum \$5,000

The project includes new benches along the pathways and trails, to ensure visitors have access to rest areas. Total project cost is estimated at \$6,931.66, and applicant has matching funds equal to 15% of the project. The committee recommends awarding a grant of \$5,000 towards this project.

2. Henderson County Regional Fair Park Complex \$19,000

The project includes continued replacement of 24 equine stalls, at a total cost of \$38,992, and applicant has matching funds equal to 50% of the project. The committee recommends awarding a grant of \$19,000 towards this project.

John Trent made a motion to approve the grant recommendations of the committee. Carmen Hunt seconded the motion and motion carried 7-0.

Consider discussion and possible approval of EDPA with Express Products, Inc. d/b/a Dillon Manufacturing

Company proposes to expend up to \$15,000 to acquire real property, \$131,670 in real property improvements and \$75,718 in business personal property improvements. The company expects to hire up to 28 full time employees, over its current base of 27. AEDC is willing to grant company up to \$42,000 for the creation of new jobs in Athens and up to \$8,000 for the additional capital improvements in the city of Athens, for a total possible grant of \$50,000.

Will Traxson made a motion to approve the contract, as presented. Cliff Barrett seconded and motion carried 6-0, with Cliff Bomer abstaining due to conflict of interest.

Consider discussion and possible approval of the following items associated with Palestine St. LLC d/b/a Advanced Rehabilitation & Healthcare of Athens project:

A. Amendment to EDPA extending completion date of project

Cliff Bomer made a motion, seconded by Randy Jones, to approve the amendment which extends the project completion date to September 30, 2019. Motion carried 7-0.

B. Release of unspent funds to general operating fund

There is a balance of \$5,667 remaining in committed funds for this project. Ms. Denton has asked that the funds be released back to the operating fund.

Carmen Hunt made a motion, seconded by Will Traxson, to release the committed funds associated with this project, in the amount of \$5,667. Motion carried 7-0.

Consider discussion and possible approval of the following items associated with AEDC Marketing Initiatives:

A. Testimonial Video Project

Ms. Skeeters presented the latest testimonial video, with HVAC Manufacturing, to the board.

B. Retail Recruitment

Ms. Denton reported on her recent retail recruitment efforts with NextSite, at the Red River States Conference and Deal Making Show. She participated in seven developer meetings, three of which included continued discussions on the retail potential in Athens. She also connected with several retailers, a few of which have asked for additional data points.

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

At 10:56 A.M., President Lilly announced that the board would enter 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 with the following prospects:
 - Prospect #1687 Prospect #1763
 - Prospect #1758

The board reconvened into open session at 11:13 AM.

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Consider discussion and possible action on items discussed under Agenda Item 9

With no further business, meeting adjourned at 11:13 AM, with a motion by Cliff Bomer and seconded by Randy Jones. Motion carried 7-0.

Carmen Hunt, Secretary

Jeaneane Lilly, President