

**Athens Economic Development Corporation
Board of Directors Special Meeting
Minutes for May 23, 2019**

The Board of Directors of the Athens Economic Development Corporation (hereafter referred to as AEDC) held a Special Board Meeting at 10:00 A.M. on Thursday, May 23, 2019 in the Derek D. Daniels Room of the Athens Partnership Center located at 201 W. Corsicana Street, Athens, Texas.

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

Directors absent: John Trent

Staff present: Lisa Denton

Ex-Officio present: Mayor Monte Montgomery

Guests Present: Councilmember Aaron Smith, Rich Flowers, Jamie Fizer, Kevin Lilly and Berta Winn

Call to Order

The meeting was called to order at 10:01 A.M. by President Jeaneane Lilly for all agenda items. A quorum was present.

Citizens Comments

None

Declaration of Conflict of Interest

None

Cliff Barrett noted he would again abstain from voting on AEDC matters.

Consider discussion and possible action regarding potential changes in structure, organization and activities of AEDC following City Council meeting of 5-20-19

Jeaneane Lilly commented on the Mayor's disappointment with AEDC consulting its own attorney. She noted it was important that the organization have its own representation, and that Steve Stark is the attorney for AEDC and, as such, she has been in contact with him regarding certain items. She did place a call to the city attorney, at the Mayor's request, and he let her know up front that he cannot represent both entities. Will Traxson agreed that it is important for the organization to have its own representation, especially given the fact that the city attorney cannot represent AEDC. The Mayor said, from the City side, it would not matter if the AEDC attorney had a different opinion, as the City can only go by the opinion of their attorney.

The Mayor expressed that a path had been taken when requested information was not given in a timely manner. Mrs. Lilly and Ms. Denton noted that information was presented multiple times; however it was not to Mr. Gross' liking. Between absences at Council meetings and multiple iterations, the information was indeed given in the time frame discussed. Mr. Traxson noted that the issue was tied more to the Freeport matter, and that until Councilman Gross could get past that item, things will not move forward as needed between the two organizations. Mrs. Lilly noted that both entities must meet together and move forward in a positive direction, but to do

so, Councilman Gross must be a part of that action. It was also noted that it is important that the city manager and Mayor, as Ex-Officio, attend meetings regularly so that the information can be shared with Council, as intended.

Mrs. Lilly asked for clarification on AEDC nominating board members going forward, as stated in the By-Laws. Will the Council consider nominations, or is it a waste of AEDC time, if the Council will be replacing with Council members? The Mayor said he had no idea what this Council's thoughts would be regarding future board members. The March 26th City workshop meeting was discussed and how shocked AEDC was in hearing the discussions with Council.

Mrs. Lilly wanted to say that it was disheartening that the City had contacted another attorney out of Dallas, and while she understood they could not discuss the matter, she wanted her feelings to be noted.

Randy Jones noted that it may be very difficult for a person to serve on both Council and the AEDC board, due to the time commitment. That quite possibly, the reason the original board did not include Council members was simply to multiply the effort through additional qualified candidates. He stated there may be another way to build the bridges and restore the trust by getting good business people, as has been done in the past. Also, if Council were to share their vision, should it be different from the current vision of AEDC, and let those folks carry that vision forward. He said, if that Council is adamant about placing Council members on the board, he would certainly do his best to adhere to those wishes, but certainly would not want to wear those people out with the additional commitment.

Cliff Barrett stated that he had some thoughts he wanted to share regarding the Executive Director's contract. He asked if the board could go into Executive Session, prior to considering Item 5, to allow him the time to provide his input.

Executive Session

At 10:48 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:

- A. Section 551.074 – Deliberation on Personnel Matters:
AEDC Executive Director Employment Agreement

The board reconvened into Open Session at 12:12 P.M.

Consider discussion and possible action on items discussed under Agenda Item 6

No action

Consider discussion and possible action on the following items associated with AEDC Board Members:

- A. Resignation of Cliff Barrett

Cliff Bomer made a motion to amend the By-Laws to allow a member to serve out their term, should they move outside the city limits and it then puts the organization over its limit of three members outside of town. If they met all the qualifications at the beginning of their term, they should be allowed to finish out the term before resigning.

Carmen Hunt noted that she felt anyone within the 10 mile limit that pays taxes to AISD be considered for the board, without a limit of three, as is currently stated in the By-Laws. She

noted the housing shortage is a factor to executives living outside of town. However, their investment in businesses in town should qualify them for a seat.

Cliff Barrett said he would certainly do as the board wished, and understands following the rules, and is willing to resign if necessary, although he would have liked to serve out his term if it were possible.

Cliff Bomer asked the Mayor, since the Council would have to approve a By-Law change, how he felt about that type of change, in light of their comments that they hate to see Mr. Barrett have to resign and appreciate his contributions. The Mayor said he likes the By-Laws as they are and feels if a change is made to allow for those who move to serve out their term, a situation could occur where all seven are then living outside the city limits. Mr. Bomer asked if we could table action for today to allow the board to consider amending. Jeaneane noted that we were asked to address the item at today's meeting and the Council seemed to be adamant that Mr. Barrett would need to resign. While the board can consider By-Law changes, this item would be better dealt with sooner rather than later.

Randy Jones noted that while he would also like to see the By-Laws amended to allow for additional board members who live outside the city limits, he agreed AEDC needed to follow the current rules and accept the resignation of Mr. Barrett.

Randy Jones made a motion, seconded by Will Traxson, to accept Cliff Barrett's resignation. Motion passed 3-2, with Carmen Hunt and Cliff Bomer opposed.

Mr. Barrett thanked the Board and City for the opportunity to serve. He said it had been an honor and a privilege. President Lilly thanked Cliff for his hard work and contributions. The Mayor stated Cliff was rock solid and he thanked him for serving.

B. Election of Treasurer

Will Traxson made a motion, seconded by Randy Jones, to elect Cliff Bomer Treasurer. Motion passed 4-0-1, with Cliff Bomer abstaining.

AEDC Board of Director's request for future agenda items

The following items were requested for the June 6, 2019 meeting:

- AEDC By-Law Amendments
- Nominations for vacant AEDC Director Seat
- Executive Director Employment Agreement
- HVAC Manufacturing expansion project

With no further business, the meeting adjourned at 12:42 P.M.

Carmen Hunt, Secretary

Jeaneane Lilly, President