

Athens Economic Development Corporation

Board of Directors

Minutes of Monthly meeting

For April 21, 2020

The Board of Directors of the Athens Economic Development Corporation (hereinafter referred to as AEDC) held a Board Meeting at 10:00 A.M. on Tuesday, April 21, 2020 in the Derek D. Daniels Room of the Athens Partnership Center located at 201 W Corsicana Street, Athens, Texas.

Directors present: Will Traxson, John Trent, Danny Tidmore, Morgan Jones and Randy Jones

Staff Present: Joanie Ahlers, Executive Director and Valerie Franklin, Office Manager

Ex-Officio: Mayor Monte Montgomery, City Manager Elizabeth Borstad

Call to Order

The meeting was called to order at 10:03 A.M. by President Will Traxson for all agenda items. A quorum was present.

Declaration of Conflict of Interest

Mayor Monte Montgomery will remove himself from executive session Prospect #1799.

Public Communications

None.

Consider discussion and possible action regarding the approval of Minutes from AEDC Board Meeting March 17, 2020

A motion was made by Danny Tidmore and seconded by Morgan Jones to approve the March 17, 2020 Board meeting minutes. The motion carried unanimously.

Consider discussion and possible action regarding the approval of March 2020 Financials

A. March 2020 Monthly Financials

Executive Director Joanie Ahlers explained there was not unusual about the March 2020 financials. Our sales tax was at \$116,000 for February almost the same as last year this time. She asked for two separate motions for line items A and B. The reimbursements for Administrative Services are for payment to the city for provide services and for Val and my salaries and expenditures placed on my city credit card.

A motion was made by John Trent and seconded by Randy Jones to approval the March 2020 monthly financials. The motion passed unanimously.

B. Quarterly reimbursement to the City of Athens for Administrative Services Agreement
A motion was made by John Trent and seconded by Randy Jones to approve the quarterly reimbursement to the City of Athens for Administrative Services Agreement. The motion passed unanimously.

Consider discussion and possible action regarding Biomerics draw request #11 for \$56,855.43.

Executive Director Joanie Ahlers stated she wanted to draw the board's attention to the fact Biomerics are at 91.2% of the million dollars draw with this approval. The project is about 90% complete so it looks like everything is on track.

Randy Jones made a motion to approve Biomerics draw request #11 pending approval from the Fire Marshall for \$56,855.43. It was seconded by Morgan Jones. The motion passed unanimously.

Consider discussion and possible action regarding AEDC loans during COVID 19 State and County Orders

Executive Director Joanie Ahlers explained we have had request from several companies that have loans out to us asking for payment deferrals during the health crisis. One being Extreme Engineering requesting loan payment deferral for 120 days. I spoke briefly with President Traxson. We could defer payments and ask that the interest only be paid. After the health crisis is over, we would extend their agreement. We could hold them completely harmless for x number of days and the loan agreement would be extended for the same number of days. Included in your packet is a spreadsheet on legal paper explaining what the impact would be. It is a list of everyone who has an outstanding loan to us and what the balance, principal and interest is. Biomerics loan states TBD because they are on a draw system and it would be determined by the balance and the draw amount. This will be discussed further in closed session. Extreme Engineering has three loans out to us. On two of them, they had one payment remaining. Purselley Cabinets has requested a 90-day deferment (March, April and May). We have not heard from HVAC. But should the board decide to act, she would call them and offer them the same option. It's only right we offer everyone the same them.

There was further discussion. There were questions concerning the financial impact to us would be about \$3200.00 monthly. Also, if any of the companies listed apply for SBAs Paycheck Protection Program. There was discussion on payment history with these companies. Extreme Engineering and Purselley's are notoriously late. Payments are not on time and no late fees are paid.

Randy Jones stated he wants to be sensitive to the current environment. He is in favor of a 120-day deferral to everyone. President Traxson would rather make individual decisions. Mr. Jones stated he thinks it would be an administrative hassle to make various agreements. There was further discussion.

President Traxson asked Ex-Officios their opinions. Mayor Montgomery stated individual companies could be looked at, but it is probably better to grant equal agreements across the board. The banks are giving 90-day deferrals.

A motion was made by Randy Jones that all loans to AEDC by offer a 90- day deferment plan. It was seconded by Morgan Jones. The motion passed unanimously.

Consider discussion and possible action on the approval of the Action Plan

Executive Director Joanie Ahlers explained we had a strategic plan back in February 2020. This was the final plan submitted by Greg Last of EP Best Practices. A motion was made by John Trent to approve the Action plan and for Executive Director Joanie Ahlers to present it to the City of Athens Council. It was seconded by Danny Tidmore. The motion passed unanimously.

Executive Session

Pursuant to the Texas Government Code:

- A. Section 551.087 – Deliberation Regarding Economic Development Negotiations: Biomerics**
- B. Section 551.087 – Deliberation Regarding Economic Development Negotiations: Prospect #1799**

The board entered in executive session at 10:32 A.M.

The board re-convened in open session at 11:14 A.M.

Consider discussion and possible action concerning items discussed under Agenda item #9

Randy Jones made a motion to approve Biomerics' request for payment accommodations through October 31, 2020 and authorize our AEDC Executive Director to obtain documentation. Danny Tidmore seconded. The motion passed unanimously.

Prospect #1799 was tabled for further discussion.

AEDC Board of Director's request for future agenda items

None

Adjourn

With no other business to discuss, the meeting was adjourned at 11:15 A.M.

Carmen Hunt, Secretary

Will Traxson, President