

**Athens Economic Development Corporation
Board of Directors Meeting
Minutes for February 20, 2018**

The Board of Directors of the Athens Economic Development Corporation (hereafter referred to as AEDC) held a Board Meeting at 9:00 a.m. on Tuesday, February 20, 2018, in the office facility located at 1702 Enterprise St., Athens, Texas.

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

Directors absent: Cliff Bomer

Ex-Officio: Mayor Monte Montgomery

Staff present: Lisa Denton, Sherri Skeeters and Dede Sims

Guests: Kevin Habibelahian, Holdredge, Shaddox and Habibelahian, CPA;
Deborah Deas

Call to Order

The meeting was called to order at 9:04 a.m. by President Lilly for all agenda items. A quorum was present.

Citizen Comments

Deborah Deas spoke on behalf of the East Texas Arboretum Board and explained the many offerings that the arboretum has in Athens. She thanked AEDC for the community development grant program and noted that, while ET Arboretum may not qualify to apply this year, she hopes the program is something we continue to offer and that there is a possibility for them to apply next year.

Declaration of Conflict of Interest

None

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

A. January 16, 2018

Cliff Barrett made a motion to approve the minutes, as presented. Will Traxson seconded the motion and motion carried 6-0.

Consider discussion and possible action on the following items associated with AEDC financials.

A. First Quarter financials, as presented by Kevin Habibelahian

John Trent made a motion to approve the First Quarter financials, as presented. Carmen Hunt seconded the motion and motion carried 6-0.

B. January 2018 finance report

The board received an update from Lisa Denton on the revenues, expenditures and commitments of AEDC for the month of January 2018. She made note of the CD account that had been opened, per

prior action of the board, and asked that the board ratify that action with First State Bank.

Will Traxson made a motion to approve the January financials and ratify the prior action approving a 6 month Certificate of Deposit at First State Bank, in the amount of \$1,000,000. Motion was seconded by Randy Jones. Motion carried 6-0.

Consider discussion and possible action on the following items associated with AEDC owned property:

A. 414 W. College Street status update

AEDC closed on subject property in December, and is working to meet with TVCC to discuss classroom set up for the training center. The previous owner was completely out of the building by February 1, and AEDC now has exclusive use of the facility.

B. 1411 FM 1616 status update

AEDC closed on subject property on January 25th, but has allowed the previous owner an additional 45 days to move out, to meet the requirements of their new property purchase closing. Staff will begin collecting estimates for the demo of the house and clearing of the property, and will bring that information back to the board at a subsequent meeting.

C. 1702/1704 Enterprise St. status update

The current board meeting was being held in subject property, which is owned by AEDC and has been vacant since West Pharmaceutical consolidated the R & D facility into their Scottsdale, AZ plant sometime last year. The board was invited to stay after the meeting to tour the facility, along with the back building which is mostly occupied by FutureMatrix Interventional, so that they are better informed of the properties owned by AEDC.

Consider Discussion and possible action on the following AEDC Grant Programs:

A. Business Assistance Grant Program

1. Ms. Denton reported that the committee had met on Friday, February 16th to discuss the applications that had been received in conjunction with the grant. Additional information is necessary on two of the applications received from downtown businesses, so staff is continuing to work on those projects and will bring back to the board at the next board meeting.

A third application was submitted by Athens Truck & Trailer Sales, LLC, for an illuminated pole sign to be erected in front of their new facility on US 175. The proposed sign does meet the city's sign ordinance, per Barbara Holly, and the committee recommends approval of the application for maximum funding of \$5,000.

Cliff Barrett made a motion to approve grant funding, in an amount not to exceed \$5,000, to Athens Truck & Trailer Sales LLC for an illuminated pole sign. Carmen Hunt seconded the motion and motion carried 6-0.

The committee and staff also recommended offering a 2nd application period later in the year, as all budgeted funding will not be expended with the above applications. All board members were supportive of this plan.

B. Community Development Grant Program

1. Compliance review and grant payment to Athens Teenage Baseball Inc. for 2017 project

Staff reported that the compliance review shows the project is 80% complete, with \$22,769.89 expended to date on the project. As such, the project qualifies for payment of 80% of the approved grant, which would be \$18,215.91. The balance would be payable upon completion of the project.

Will Traxson made a motion to fund 80%, or \$18,215.91, to Athens Teenage Baseball Inc. John Trent seconded the motion and motion carried 6-0.

2. Committee Update

Staff reported the community development grant applications are due 2/28 and a committee meeting will be set for some time in March, for presentations and scoring. The committee is comprised of Carmen Hunt, Will Traxson and Cliff Bomer. Recommendations will be presented to the board at a subsequent board meeting.

Compliance review of economic development performance agreement with the following:

A. Med-Logics, Inc.

Staff reported that Med-Logics is in compliance with the 4th and final year of the EDPA related to the facility at 1627 Enterprise St. Company currently has 18 full-time positions, with 15 positions meeting the 1820 + hour requirement. Staff recommends ruling Company in compliance and approving the forgiveness of the final land payment of \$22,560.95.

Motion was made by Will Traxson to rule Med-Logics Inc. in compliance with year 4 of the EDPA. Cliff Barrett seconded and motion carried 6-0.

B. HVAC Manufacturing, Inc.

Staff reported that, while Company has not completed the year 1 capital investment, they have requested partial payment of the incentive for investment made to date. Board indicated that the project must meet the parameters set forth in the EDPA and partial funding could not be given.

Consider discussion and possible approval of the following items associated with AEDC Strategic Plan Goal 2 – Marketing and Attraction:

A. Video Proposals

Staff presented three proposals for testimonial videos. Will Traxson had inquired whether staff had contacted Wes Akin, whose contact was provided with this discussion last month. It was discovered that there was some confusion on the contacts, and staff had reached out to a different local person for a proposal. No further discussion or action was taken on this matter, and staff will present this item at the next meeting, after contacting Mr. Akin for a proposal.

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

At 9:55 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 551.072 – Deliberation regarding Real Property
Possible lease/sale of real property
- B. Section 551.087 - Deliberation regarding Economic Development Negotiations with the following prospects:
 - Prospect #1550 Prospect #1593
 - Prospect #1554 Prospect #1638
 - Prospect #1578 Prospect #1639

The board reconvened into Open Session at 10:43 a.m.

Consider discussion and possible action on items discussed under Agenda Item 10

No action was taken on this item.

A motion to adjourn was made by Will Traxson. Randy Jones seconded the motion and motion carried 6-0. Meeting adjourned at 10:43 am.

Carmen Hunt, Secretary

Jeaneane Lilly, President