

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
BORGER ECONOMIC DEVELOPMENT CORPORATION
A TEXAS INDUSTRIAL DEVELOPMENT CORPORATION**

Time and Place

The following are the Minutes of the Board of Directors of the BORGER ECONOMIC DEVELOPMENT CORPORATION, a Texas Industrial Development Corporation organized under Section 4A of the Development Corporation Act of 1979, 1111 Penn Avenue, Borger, Texas on June 19, 2018 at 10:30 a.m., said meeting having been held on the call of the incorporators.

Present at the meeting were MICHELLE GRIFFIN, JESSE SHUFFIELD and NORMAN SARGENT as Directors of the Corporation.

Directors LISA A. JONES and SCOTT MILLS were absent.

Also present were:

Katie Lingor, Executive Director, Borger EDC
Sue Headlee, Office Manager, Borger EDC
Eddie Edwards, City Manager
Joe Price, Assistant City Manager
Garrett Spradling, Assistant to City Manager
Chris Thompson, Borger News Herald
Jamie Neumann, Neumann & Bailey
Michelle Bailey, Neumann & Bailey
Sandy Ferguson, A-1 Appliance
Chelsea Rappe, A-1 Appliance
Jeffery Whittington

President Michelle Griffin called the meeting to order at 10:31 a.m.

1. Michelle Griffin confirmed the presence of a quorum.

2. **Consider and take appropriate action on the approval of the Minutes of the May 08, 2018 regular meeting.**

Norman Sargent made the motion to approve the Minutes of the May 08, 2018 regular meeting. Following a second by Jesse Shuffield, motion carried.

3. **Consider and take appropriate action on the approval of the Minutes of the May 22, 2018 special meeting.**

Norman Sargent made the motion to approve the Minutes of the May 22 special meeting. Jesse Shuffield seconded the motion. Motion carried.

4. **Consider and take appropriate action on May 2018 Financials and Expenditures.**

Jesse Suffield made the motion to approve the May 2018 Financials and Expenditures. Norman Sargent seconded the motion. Motion carried.

5. **Presentation of the Small Business Incentive Program application by Chelsea Ferguson Rappe of A-1 Appliance & Furniture.**

Chelsea Ferguson Rappe gave the Board a brief history of A-1 Appliance and Furniture. The business has been in Borger and in the Ferguson family for three generations. She also presented the Board with a list of repairs and estimates of work needed to make the building more attractive and usable.

6. **Presentation of the Small Business Incentive Program application by Jamie Neumann and Michelle Bailey of Neumann & Bailey.**

Jamie Neumann gave a detailed report to the Board requesting Neumann & Bailey be considered as a recipient for the Small Business Incentive Program. She explained the plan to update the building and expand their business to increase traffic into the store. She also presented a Business Plan and cost estimates for the needed repairs and updates to the building.

7. **Executive Session**

Pursuant to Vernon's Texas Code Annotated Government Code, Title Chapter 551, Section 551.087 (negotiations), Section 551.071 (legal), the Board entered into closed Executive Session at 10:55 a.m. to discuss the following:

- A. Discuss the Small Business Incentive Program application submitted by A-I Appliance & Furniture.
- B. Discuss the Small Business Incentive Program application submitted by Neumann & Bailey.
- C. Discuss legal matters regarding Blue Creek Mercantile, LLC.
- D. Discuss legal matters regarding K D Precision Pump and Industrial Maintenance, LLC.

No action was taken during Executive Session.

- 8. **Board returned to Open session at 11:38 a.m.**
- 9. **Consider and take appropriate action on the Small Business Incentive Program application submitted by A-1 Appliance & Furniture.**

Jesse Shuffield made the motion approve the application as presented. Following a second by Norman Sargent, motion carried.

- 10. **Consider and take appropriate action on the Small Business Incentive Program application submitted by Neumann & Bailey.**

Norman Sargent made the motion to approve the application as presented. Motion was seconded by Jesse Shuffield. Motion carried.

- 11. **Consider and take appropriate action on Blue Creek Mercantile, LLC's request to pursue sale of business.**

Jesse Shuffield made the motion to table this item until after June 30, 2018. Norman Sargent seconded the motion. Motion carried.

- 12. **Consider and take appropriate action on legal matters regarding K D Precision Pump & Industrial Maintenance, LLC.**

Norman Sargent made a motion to proceed with filing a lawsuit to collect debt owed to the BEDC, and also to authorize Executive Director Katie Lingor to approach stakeholders of K D Precision Pump & Industrial Maintenance, LLC with an offer to withdraw the lawsuit in exchange for Top Notch Heating & Air, LLC's acceptance of the obligations of K D Precision Pump & Industrial Maintenance, LLC and its pledge of security interest as second lien holder to the

BEDC; in exchange for Top Notch Heating & Air, LLC's acceptance of the obligation of debt for K D Precision Pump & Industrial Maintenance, LLC, the retention of current jobs, and the creation of a minimum of five (5) over the remaining term of the note, the BEDC will enter into a new incentive agreement to forgive the lump sum of \$75,000.00 due at the end of the note's term. Jesse Shuffield seconded the motion. Motion carried.

13. **Adjourn**

Motion to adjourn was made at 11:40 a.m. by Jesse Shuffield. Motion was seconded by Norman Sargent.. Motion carried.

President _____
Michelle Griffin

Secretary-Treasurer _____
Lisa A. Jones

Annual Meeting

1. **Call Annual Meeting to order and confirm presence of a quorum and take roll of present and absent Directors.**

President Michelle Griffin called the meeting to order at 12:10 p.m.

Directors present were Michelle Griffin, Scott Mills, Jesse Shuffield and Norman Sargent. Director Lisa A. Jones was absent.

2. **Executive Session-Pursuant to Texas Government Code, Section 551.074 (personnel), the Board entered into Executive Session at 12:12 p.m. to discuss the following:**

- A. Discuss 2018-2019 Budget items for personnel and related administrative costs, including pay and benefits.

No action was taken during Executive Session.

3. **Board returned to Open Session at 12:32 p.m.**

4. **Discuss and take appropriate action on 2018-2019 Budget.**

- A. Comparison of Borger EDC budget to EDCs located in communities comparable to Borger.
- B. Discuss restricting a portion of unused budgeted project funds for future projects.
- C. Discuss creating a fund for infrastructure.

Following discussion the motion was made by Scott Mills to accept the 2018-2019 Budget as presented with changes.

5. **Election of Officers for 2018-2019.**

Scott Mills made the motion to elect 2018-2019 Officers:

President—Michelle Griffin
Vice-President—Jesse Shuffield
Secretary-Treasurer—Lisa A. Jones

Norman Sargent seconded the motion. Motion carried.

6. **BEDC Committee Appointments for 2018-2019.**

President Michelle Griffin made the following committee appointments:

Budget, Finance and Audit Committee (Lisa A. Jones, Jesse Shuffield)

Committee for Business Retention and Expansion (Scott Mills, Norman Sargent)

Committee for new Business Formation (Lisa A. Jones, Norman Sargent)

Committee for new Business Attraction and Recruitment (Michelle Griffin, Scott Mills)

Committee for Community Development (Michelle Griffin, Jesse Shuffield)

7. **Adjourn.**

Jesse Shuffield made the motion to adjourn. Norman Sargent seconded the motion. Motion carried.

President _____
Michelle Griffin

Vice-President _____
Lisa A. Jones