

**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 August 08, 2018 at 2:00 p.m., said meeting having been held on the call of the incorporators.

Present at the meeting were MICHELLE GRIFFIN, LISA A. JONES, SCOTT MILLS, JESSE SHUFFIELD and NORMAN SARGENT as Directors of the Corporation.

Also present were:

Katie Lingor, Executive Director, Borger EDC
Sue Headlee, Office Manager, Borger EDC
Joe Price, Assistant City Manager
B B Robbins, Borger News Herald
Glenn Reeves, Borger Credit Bureau and Pac N Mail Mailing Center
Maria Saucedo, China Dynasty
David Saudeco, China Dynasty

Vice-President Jesse Shuffield called the meeting to order at 2:04 p.m.

1. Jesse Shuffield confirmed the presence of a quorum.
2. **Presentation of the Small Business Incentive Program (“SBIP”) by Maria Saucedo of China Dynasty.**

Maria Saucedo presented the Board with a request for SBIP help to restore China Dynasty restaurant after a fire in the establishment next door did extensive damage to her restaurant. The total damages exceed \$79,000. At the present time it appears that it will be some time before the insurance claim is settled. In the meantime, Mrs. Saucedo is requesting a reimbursement grant from the BEDC in the amount of \$20,000 to aid in restoring the restaurant. Executive Director Katie Lingor explained to the Board that any insurance proceeds received by China Dynasty in the future as a result of this fire will be used to

recalculate the incentive amount, and that China Dynasty is required to pay back the BEDC if they are made whole through an insurance claim or by any other means.

3. Presentation of the Small Business Incentive Program (“SBIP”) application by Glenn Reeves of Pac N Mail Mailing Center and Borger Credit Bureau.

Glenn Reeves presented a request to the Board for funds from the “SBIP” to replace the chain link fence on the north side of the Pac N Mail Building with a wooden fence. This would improve the appearance of the property. The estimated cost of the project is \$1,900. He is requesting 100% reimbursement from the BEDC through the SBIP façade grant program, where 100% of the funds spent on exterior improvements are reimbursed, up to a maximum of \$2,000.

Mr. Reeves also presented a request for funds to stucco the back and sides of the Borger Credit Bureau building and for a new more efficient heating/cooling system for the building. The estimated total cost of the project is about \$8,000. Through the SBIP program, Mr. Reeves is requesting that the first \$2,000 spent on the façade be reimbursed at 100% with the remaining amount spent reimbursed at 50%.

4. Executive Session

Pursuant to Vernon’s Texas Code Annotated Government Code, Title Chapter 551, Section 551.087 (deliberation regarding economic development negotiations), the Board entered into closed Executive Session at 2:18 p.m. to discuss the following:

- A. Deliberate on the SBIP Application submitted by China Dynasty.
- B. Deliberate on the SBIP Application submitted by Pac N Mail.
- C. Deliberate on the SBIP Application submitted by Borger Credit Bureau.
- D. Deliberate on BEDC Board action related to the terms of the existing line of credit agreement with Panhandle Maintenance, LLC.

No action was taken during Executive Session.

2. Board returned to Open session at 2:38 p.m.

6. Consider and take appropriate action on the SBIP Application submitted by

China Dynasty.

Lisa Jones made the motion to approve the Small Business Incentive Program application submitted by China Dynasty, located at 1030 Megert Center in Borger, Texas, pursuant to the terms of the Program agreement. Following a second by Jesse Shuffield, motion carried.

7. Consider and take appropriate action on the SBIP Application submitted by Pac N Mail Mailing Center.

Jesse Shuffield made the motion to approve the Small Business Incentive Program application submitted by Pac N Mail Mailing Center, located at 305 Coble St., in Borger, Texas, pursuant to the terms of the Program agreement. Lisa Jones seconded the motion. Motion carried.

8. Consider and take appropriate action on the SBIP Application submitted by Borger Credit Bureau.

Lisa Jones made the motion to approve the Small Business Incentive Program application submitted by Borger Credit Bureau, located at 306 N. McGee St., in Borger, Texas, pursuant to the terms of the Program agreement. Jesse Shuffield seconded the motion. Motion carried.

9. Consider BEDC Board action related to the terms of the existing Line of Credit agreement with Panhandle Maintenance, LLC.

Lisa Jones made the motion to extend the maturity date of the revolving line of credit dated November 1, 2017 to October 1, 2018, subject to Panhandle Maintenance, LLC's agreement to the following terms:

1. Panhandle Maintenance LLC must agree to file an M&M lien on vendors with past due invoices by August 17, 2018.
2. Panhandle Maintenance LLC must furnish a complete set of business financials, including a current balance sheet, a monthly & YTD profit & loss statement, a statement of cash flows, and Aged Accounts Receivable and Accounts Payable, to Executive Director Katie Lingor by August 15, 2018 and September 15, 2018.
3. Edward Rodriguez will agree to meet weekly with Executive Director Katie Lingor to provide an update on business operations.
4. Upon repayment of the line of credit in full, Borger EDC will release accounts receivable from its current security agreement, and Panhandle Maintenance LLC will agree to using the building located at 3904 S. Cedar in Borger, Texas as collateral to all remaining debts owed to the BEDC.

10. **Consider and take appropriate action on the BEDC's grant request for \$90,000 from the Texas Workforce Commission's High Demand Jobs Training Program, with a matching investment made by the BEDC, to fund equipment purchases for the training of licensed vocational nurses and refinery operators with a process technology certification at Frank Phillips College.**

Lisa Jones made the motion to submit a request for a \$90,000 grant from the Texas Workforce Commission's High Demand Jobs Training Program, with a matching investment made by the BEDC, to fund equipment purchases for the training of licensed vocational nurses and refinery operators with a process technology certification. Following a second by Norman Sargent, motion carried. Jesse Shuffield abstained from voting.

11. **Adjourn**

Motion to adjourn was made at 1:13 p.m. by Scott Mills. Motion was seconded by Lisa Jones. Motion carried.

President _____
Michelle Griffin

Secretary-Treasurer _____
Lisa A. Jones