

NEDERLAND ECONOMIC DEVELOPMENT CORPORATION

Minutes August 13, 2008

MEETING

A meeting of the Nederland Economic Development Corporation was called to order at 5:05 p.m. at the Nederland Economic Development Corporation Office, 1903 Atlanta Avenue, by President Nick Phillips.

QUORUM

Board members present: Debby Griffin, Stuart Kieschnick, Billy Neal, Nick Phillips, Bert Rogers and Eric Shaw. Absent: Mike Guidry. Others present: Tracie Killian, Executive Director and Marlinda Eastberg, Secretary, NEDC. Guest present: John Sumrall, Sumrall's Air Conditioning, Inc. and Kasey Taylor, Lamar State College Port Arthur – Small Business Development Center.

MINUTES

A motion was made by Bert Rogers and seconded by Billy Neal to approve the minutes of June 25, 2008. Motion carried.

Ayes: Griffin, Kieschnick, Neal, Phillips, Rogers and Shaw.

Noes: None. **Absent:** Mike Guidry.

PUBLIC HEARING

The regular meeting was recessed at 5:07 p.m. by President Phillips for the purpose of conducting a public hearing regarding the potential expenditure of funds for an economic development for the new construction of Sumrall's Air Conditioning, Inc. to be located at 520 Nederland Avenue, Nederland, Texas.

Mrs. Tracie Killian introduced Mr. Sumrall, owner of Sumrall's Air Conditioning, Inc. Mr. Sumrall stated that Sumrall's Air Conditioning has been in business for over forty years and that he and his wife had bought out his father about five years ago. Mr. Sumrall reported there is a need to expand the business and for this reason he has purchased land at 520 Nederland Avenue, Nederland, Texas and plans to build a new four thousand (4000) square foot building. Mr. Sumrall stated his plans also include expanding his hours of operations as well as working on weekends, the hiring of a new technician and one additional office person and lastly will carry larger quantities of inventory. Kasey Taylor, Small Business Development Center, Port Arthur worked with Mr. Sumrall on his business plan.

There was a brief discussion regarding the location of the property where the building is to be built. With no more questions and/or comments, President Phillips adjourned the Public Hearing at 5:10 p.m.

SUMRALL'S AIR CONDITIONING, INC.

Mrs. Killian reported that the Impact Analysis Committee (IAC) has met and recommended that the NEDC approve an expenditure of funds not to exceed eleven thousand five hundred dollars (\$11,500.00) with a payback period of (2.0) years to Sumrall's Air Conditioning, Inc. for the new construction of a building to be located at 520 Nederland Avenue, Nederland, Texas.

A motion was made by Billy Neal and seconded by Stuart Kieschnick to approve the expenditure of funds, not to exceed eleven thousand five hundred dollars (\$11,500.00) with a payback period of 2.0 years (24 months) to Sumrall's Air Conditioning, Inc. for the new construction to be located at 520 Nederland Avenue, Nederland, Texas, contingent upon the proper financial statements released and projected numbers met through the recovery period .

Motion carried.

Ayes: Griffin, Kieschnick, Neal, Phillips, Rogers and Shaw.

Noes: None. **Absent:** Mike Guidry.

FINANCIAL REPORTS

The Board reviewed the income and expenses for the NEDC ending June 30, 2008.

EXECUTIVE SESSION

The regular meeting was recessed at 5:16 p.m. by President Nick Phillips for the purpose of conducting an Executive Session as authorized by the Texas Government Code, Chapter 551.087, to discuss the offer of an incentive to a business prospect; Texas Government Code, Chapter 551.071 to discuss litigation and/or legal advise; Texas Government Code, Chapter 551.072, to discuss acquisition, exchange, and/or release of property.

RECONVENE

The regular meeting was reconvened by President Nick Phillips at 6:10 p.m.

President Nick Phillips announced no action is needed on, Texas Government Code, Chapter 551.071 to discuss litigation and/or legal advice; and Texas Government Code, Chapter 551.072, to discuss acquisition, exchange, and/or release of property.

President Nick Phillips announced that the following action is needed on Texas Government Code, Chapter 551.087, to discuss and/or deliberate concerning financial and/or commercial information received from potential business prospects regarding potential economic development incentive

Tracie Killian reported Animal Hospital of Mid County has exceeded expectations and fulfilled their obligations to the NEDC through the monitoring process. Animal Hospital of Mid County received an incentive of thirty thousand dollars and no/100 (\$30,000.00) on November 23, 2004 with a payback of 3.1 years. Ms. Killian recommended that the monitoring of the above mentioned client be closed.

A motion was made by Debby Griffin and seconded by Bert Rogers to close the monitoring process for Animal Hospital of Mid County.

Motion carried.

Ayes: Griffin, Kieschnick, Neal, Phillips, Rogers and Shaw.

Noes: None. **Absent:** Mike Guidry.

President Nick Phillips announced the item to consider action on grant previously awarded on September 6, 2005 to Promise Specialty Hospital of Southeast Texas be included on the next scheduled NEDC agenda.

COMMUNICATION

Tracie Killian presented the Board with a written Executive Director's Report with each item detailing activities of the NEDC office since the last board meeting.

Mrs. Killian announced the Nederland Education Foundation Breakfast is scheduled for August 19, 2008 from 7:00 to 9:00 a.m. at Casa Ole Central Mall. She stated there are tickets available through the EDC office.

Mrs. Killian also announced a Nederland Chamber of Commerce After Hours Mixer is scheduled for August 26, 2008 from 5:30 to 7:00 p.m. at 5 Point Credit Union in Nederland.

Mrs. Killian also reported she attended the following conferences:

July 23, 2008 - TEDC Sales Tax Training, Gulf Coast Region, San Luis Resort, Galveston, Texas.

July 23 & 24, 2008 -TEDC Summer Conference in Galveston, Texas.

ADJOURN

There being no further business, a motion was made by Bert Rogers and seconded by Stuart Kieschnick that the meeting be adjourned at 6:14 p.m. Motion carried.

Ayes: Griffin, Kieschnick, Neal, Phillips, Rogers and Shaw.

Noes: None. **Absent:** Mike Guidry.

Nick Phillips, President

Billy Neal, Secretary/Treasurer