

NEDERLAND ECONOMIC DEVELOPMENT CORPORATION

Minutes April 22, 2009

MEETING

A meeting of the Nederland Economic Development Corporation was called to order at 5:02 p.m. at the Nederland Economic Development Corporation Office, 1903 Atlanta Avenue, by President Nick Phillips.

QUORUM

Board members present: Mike Guidry, Stuart Kieschnick, Billy Neal, Nick Phillips, and Bert Rogers. Absent: Debby Griffin and Eric Shaw. Others present: Jim Wimberley, NEDC Attorney; Tracie Killian, Executive Director and Marlinda Eastberg, Secretary, NEDC. Guest present: Louis Hernandez, Hernandez Office Supply.

MINUTES

A motion was made by Bert Rogers and seconded by Mike Guidry to approve the minutes of November 25, 2008, December 1, 2008 and February 25, 2009 with corrections. Motion carried.

Ayes: Guidry, Kieschnick, Neal, Phillips, Rogers

Noes: None. **Absent:** Griffin and Shaw.

PUBLIC HEARING

The regular meeting was recessed at 5:08 p.m. by President Phillips for the purpose of conducting a public hearing regarding the potential expenditure of funds for the expansion of Hernandez Office Supply located at 119 17th Street, Nederland, Texas.

Mrs. Killian reminded the board that Mr. Hernandez had previously received an incentive of thirty thousand dollars and no/100 (\$30,000.00) in October, 2003 with a payback of 2.9 years and successfully completed the monitoring of that expansion project and his file was closed in January, 2007.

Mrs. Tracie Killian introduced Mr. Hernandez, owner of Hernandez Office Supply. Mr. Hernandez stated he will be adding an additional two thousand (2000) square foot to his existing building located at 119 17th Street, Nederland, Texas. This expansion will allow for the storage space needed to be able to buy copy paper in bulk at a better price and be more competitive.

Board Member Bert Rogers reported he had visited with Mr. Hernandez at Hernandez Office Supply located at 119 17th Street, Nederland, Texas to get a better understanding of the expansion that was to be done.

A brief discussion was held concerning the number of new employees that will be hired. With no more questions and/or comments President Phillips adjourned the Public Hearing at 5:10 p.m.

HERNANDEZ OFFICE SUPPLY

Mrs. Killian reported that the Impact Analysis Committee (IAC) has met and recommended that the NEDC approve an expenditure of funds not to exceed fourteen thousand dollars and no/100 (14,000.00) with a payback period of one (1) year to Hernandez Office Supply located at 119 17th Street, Nederland, Texas.

Motion made by Mike Guidry and seconded by Billy Neal to approve the expenditure of funds, not to exceed fourteen thousand dollars and no/100 (\$14,000.00) with a payback period of one (1) year to Hernandez Office Supply located at 119 17th Street, Nederland, Texas, contingent upon the proper financial statements released and projected numbers met through the recovery period .

Motion Carried

Ayes: Guidry, Kieschnick, Neal, Phillips and Rogers.

Noes: None. **Absent:** Griffin, Shaw.

FINANCIAL REPORTS

The board reviewed the income and expenses for the NEDC ending February 28, 2009

A discussion was held regarding the board of directors instituting an investment policy separate of the City of Nederland. Jim Wimberley, NEDC Attorney, reported that to adopt an investment policy two (2) people would be required to have initial training and then a refresher course every two (2) years after the initial training.

After a brief discussion was held and no decision was made.

DISASTER RELIEF LOAN PROGRAM

Marlinda Eastberg reported there were a total of twelve (12), five thousand dollars and no/100 (\$5,000.00) disaster relief loans given to Nederland businesses as a result of Hurricane Ike. To date, eight (8) of the twelve (12) disaster relief loans have been repaid on time, leaving four (4) loans due.

COMPUTERS

Mrs. Killian reported she had received a quote from Juxtapose, Inc. for laptop computers. These computers will be used by board members during meetings and will eliminate the need for copies to be made for packets that are delivered before board meetings and copies for the notebooks for the day of the board meetings. NEDC board members that are also city council members will use their computers that are provided by the city for Nederland City Council meetings.

The quotes are as follows:

Vista Business Laptop - \$697.34 plus shipping – For use by the Administrative Secretary.

Vista Home Laptops - \$588.62 each plus shipping – For use by the NEDC Board of Directors.

A brief discussion was held regarding the need for laptop computers and which board members already had laptop computers and which board members would need laptop computers.

Motion made by Billy Neal and seconded by Nick Phillips to approve the expenditure of funds for the purchase of laptop computers for the NEDC Board of Directors meetings.

Motion Carried

Ayes: Guidry, Kieschnick, Neal, and Phillips.

Noes: Bert Rogers. **Absent:** Griffin, Shaw.

EXECUTIVE SESSION

The regular meeting was recessed at 5:30 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 5:55 p.m. President Nick Phillips announced no action is needed on Texas Government Code, Chapter 551.071 to discuss litigation and/or legal advice, or 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,

Mrs. Killian reported Rocket Motors received an incentive of seven thousand five hundred dollars and no/100 (\$7,500.00) on August 20, 2001. Due to the closing of Rocket Motors, Mr. Paul Roy agreed to pay back five thousand sixty eight dollars and no/100 (\$5,068.00) of the incentive. A payment plan was set up and as of March 6, 2009 all payments have been received. Mrs. Killian recommends the closing of this file.

A motion was made by Billy Neal and seconded by Mike Guidry to close the file on Rocket Motors.

Motion Carried.

Ayes: Guidry, Kieschnick, Neal, Phillips and Rogers.

Noes: None. **Absent:** Griffin and Shaw.

COMMUNICATION

Mrs. 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 made the following announcements:

The Nederland Chamber of Commerce Mother of the Year reception will be Thursday, May 7, 2009 at 5:00 p.m. at Nederland City Hall.

The Nederland Chamber of Commerce Team City Small Business Person of the Year honoring, The Candle Cottage, will be May 13, 2009 at 2:00 p.m. at the John Gray Institute in Beaumont.

Mrs. Killian presented a new logo for the Nederland Economic Development Corporation. The new logo would replace the windmill logo on all letterhead,

envelopes, business cards, etc. as well as be used on the web site. Mrs. Killian also stated this logo would be easier to embroider on shirts.

Mr. Nick Phillips, NEDC Board President, asked about Sumrall's Air Conditioning. Mrs. Killian reported that it was time to request the monitoring documentation but that due to the passing of Mr. John Sumrall, the NEDC office would wait several months before requesting the documentation.

ADJOURN

There being no further business, a motion was made by Bert Rogers and seconded by Stuart Kieschnick that the meeting be adjourned at 6:00 p.m. Motion carried.

Ayes: Guidry, Kieschnick, Neal, Phillips and Rogers.

Noes: None. **Absent:** Griffin and Shaw.

Nick Phillips, President

Billy Neal, Secretary/Treasurer