

NEDERLAND ECONOMIC DEVELOPMENT CORPORATION

Minutes April 28, 2010

MEETING

A meeting of the Nederland Economic Development Corporation was called to order at 5:04 p.m. at the Nederland Economic Development Corporation Office, 1903 Atlanta Avenue, by President Stuart Kieschnick.

QUORUM

Board members present: Don Albanese, Stuart Kieschnick, Billy Neal, Nick Phillips and Bert Rogers and Erik Shaw. Absent: Randy Sonnier. Others present: Jim Wimberley, NEDC Attorney; Tracie Killian, Executive Director and Marlinda Eastberg, Secretary, NEDC. Guest present: Chris Duque, Nederland City Manager; Rick Tompkins and Kasey Taylor, RT Technical Solutions, LLC; Mitch Macon and Garry Hamby, Hamac Industries, Inc.

MINUTES

A motion was made by Billy Neal and seconded by Erik Shaw to approve the minutes of February 10, 2010. Motion carried.

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

Noes: None. **Absent:** Sonnier

COMMENTS

Mrs. Tracie Killian introduced Mr. Rick Tompkins, President and General Manager of R T Technical Solutions. Mrs. Killian reminded the board that an incentive of \$75,000.00 was awarded on June 24, 2009 but Mr. Tompkins was unable to attend the meeting. He asked to be put on the agenda to give an update on the business. Mr. Tompkins first wanted to thank the NEDC Board of directors for awarding the incentive to R T Technical Solutions. Mr. Tompkins reported that since the incentive was awarded he has hired several new employees and that his business has grown significantly through 2009. Mr. Tompkins stated because of the incentive R T Technical Solutions is able to provide more products and better service to his customers.

A ribbon cutting and open house has been planned for May 21, 2010 and Mr. Tompkins invited each board member to attend.

PUBLIC HEARING

The regular meeting was recessed at 5:12 p.m. by President Kieschnick for the purpose of conducting a public hearing regarding the potential expenditure of funds for economic development for the expansion of Hamac Industries, Inc. doing business as Miller Electric Company, located at 1504 Nederland Avenue, Nederland, Texas.

Mrs. Tracie Killian introduced Mr. Mitch Macon and Mr. Garry Hamby, owners of Hamac Industries, Inc. Mr. Macon stated they purchased Miller Electric Company from Fred and Jackie Miller in June of 2009 for the purpose of retaining and expanding the business. Gentile Construction has been hired to reconstruct the back warehouse and apply a new façade on the current office building located on Nederland Avenue. Sales have increased substantially since the purchase. New furniture has been purchased for the office as well as seven (7) new trucks have been purchased to replace older ones. Since the purchase an additional twelve (12) employees have been hired.

With no more questions and /or comments President Kieschnick adjourned the Public Hearing at 5:19 p.m.

HAMAC INDUSTRIES, INC.

Mrs. Killian reported that the Impact Analysis Committee (IAC) has met and recommended that the NEDC approved an expenditure of funds not to exceed seventy five thousand dollars and no/100 dollars (\$75,000.00)

A motion was made by Billy Neal and seconded by Nick Phillips to approve the expenditure of funds, not to exceed seventy five thousand dollars and no/100 (75,000.00) with a two (2) year payback for the expansion of Hamac Industries, Inc. doing business as Miller Electric Company, located at 1504 Nederland Avenue, Nederland, Texas contingent upon the proper financial statements released and projected numbers met through the recovery period.

Motion carried.

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

Noes: None. **Absent:** Sonnier.

PARKING LOTS

Mrs. Tracie Killian reported d. p. Consulting Engineers, Inc. has requested additional funds be approved for the Boston Avenue and Atlanta Avenue parking

lot project in the amount of seven thousand two hundred eighty four dollars and 46/100 (\$7284.46) for the following:

1. Compaction Testing	\$535.46
2. Lime Stabilization	\$6050.00
3. Soft Area Repair	<u>\$ 699.00</u>
	\$7284.46

A motion was made by Bert Rogers and seconded by Nick Phillips to approve additional funding for Boston Avenue / Atlanta Avenue parking lots in the amount of seven thousand two hundred eighty four dollars and 46/100 (\$7284.46) for the abovementioned items.

Motion carried.

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

Noes: None. **Absent:** Sonnier.

FINANCIAL REPORTS

The board reviewed the income and expenses for the NEDC ending March 31, 2010.

EXECUTIVE SESSION

The regular meeting was recessed at 5:32 p.m. by President Stuart Kieschnick 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 Stuart Kieschnick at 6:08 p.m. President Stuart Kieschnick 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 Stuart Kieschnick 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 Sanderson's Restaurant has fulfilled their obligations to the NEDC through the monitoring process. Sanderson's Restaurant received an incentive of one hundred seventy five thousand dollars and no/100 (\$175,000.00) on March 15, 2004 with a payback of 3 years. Mrs. Killian recommended that the monitoring of the abovementioned client be closed.

A motion was made by Nick Phillips and seconded by Bert Rogers to close the monitoring process for Sanderson's Restaurant.

Motion carried.

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

Noes: None. **Absent:** Sonnier.

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 reported that Jimmy Miller, Public Works Water Distribution/Sewer Collection Supervisor, would be doing some Arc Map GIS computer updating that will benefit both the city and the NEDC.

ADJOURN

There being no further business, a motion was made by Nick Phillips and seconded by Billy Neal that the meeting be adjourned at 6:12 p.m. Motion carried.

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

Noes: None. **Absent:** Sonnier.

Stuart Kieschnick, President

Erik Shaw, Secretary/Treasurer