

# NEDERLAND ECONOMIC DEVELOPMENT CORPORATION

## Minutes September 22, 2010

### MEETING

A meeting of the Nederland Economic Development Corporation was called to order at 4:30 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, Bert Rogers, Erik Shaw and Randy Sonnier. Others present: Jim Wimberley, NEDC Attorney; Tracie Killian, Executive Director and Marlinda Eastberg, Secretary, NEDC. Guest present: Aaron Farmer, The Retail Coach.

### MINUTES

**A motion was made by Nick Phillips and seconded by Erik Shaw to approve the minutes of July 28, 2010. Motion carried.**

**Ayes:** Albanese, Kieschnick, Neal, Phillips, Rogers, Shaw and Sonnier

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

### RETAIL COACH

Mrs. Tracie Killian introduced Mr. Aaron Farmer, National Project Director of The Retail Coach which is a national retail recruitment firm. Mr. Farmer gave a presentation on services they offer which include market research services, retail recruitment as well as development plans that are marketed for our specific community. A market analysis will be done to determine the areas within the city that can benefit the most. They will analyze both regional and local information for a better understanding of what market will be supported in terms of retail recruitment and development in the City.

A discussion was held in regards to area cities hiring The Retail Coach to do the same work and Mr. Farmer stated they would add a "no compete clause" into the contract.

**A motion was made by Nick Phillips and seconded by Randy Sonnier to approve the contract not to exceed thirty four thousand dollars and no/100**

**(\$34,000.00) with The Retail Coach with the stipulation that a “no compete clause” be added to the contract. Motion carried.**

**Ayes:** Albanese, Kieschnick, Neal, Phillips, Rogers, Shaw and Sonnier

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

### **PUBLIC HEARING**

The regular meeting was recessed at 5:19 p.m. by President Kieschnick for the purpose of conducting a public hearing regarding the potential expenditure of funds for economic development for the implementation of the NEDC PRIDE (Providing Rewards in Development Efforts) Program, a matching dollar for dollar grant program designed to enhance the aesthetic appearance of our business community. Projects to be considered will include things such as landscaping, painting, signage and building facades.

Mrs. Tracie Killian stated this was a program that has been in the works for several years. The NEDC has budgeted a total of one hundred thousand dollars and no/100 (\$100,000.00) for this program and will consist of the NEDC providing matching dollar for dollar grants of up to ten thousand dollars and no/100 (\$10,000.00) to qualified for profit businesses within the city limits. Businesses will be required fill out an application which will be reviewed by the NEDC Board of Directors. Every funded project will require a written contract outlining the project. Mrs. Killian stated this program would be evaluated annually and may be terminated at any time.

With no more questions and /or comments President Kieschnick adjourned the Public Hearing at 5:30 p.m.

### **THE PRIDE PROGRAM**

**A motion was made by Nick Phillips and seconded by Randy Sonnier to approve the implementation of the PRIDE Program with each project to be reviewed and approved by the NEDC Board of Directors.**

**Motion carried.**

**Ayes:** Albanese, Kieschnick, Neal, Phillips, Rogers, Shaw and Sonnier

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

### **INVESTMENT POLICY**

Mrs. Tracie Killian presented each board member with a written investment policy. Mr. Wimberley, NEDC Attorney, stated it's a very limited policy often used by entities of similar size.

This policy authorized the Executive Director to be the investment officer for the Nederland Economic Development Corporation and gives him/her the authority to invest in certificate of deposits or money market accounts with proper collateralization with board approval. The Executive Director will be responsible for the monitoring of these accounts and providing reports to the board of directors as well as make recommendations to the board.

Tracie Killian has recently completed PFIA (Public Finance Investment Act) training and is a certified investment officer.

**A motion was made by Nick Phillips and seconded by Bert Rogers to adopt Resolution 2010-02 Investment Policy for the Nederland Economic Development Corporation.**

**Motion carried.**

**Ayes:** Albanese, Kieschnick, Neal, Phillips, Rogers, Shaw and Sonnier

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

### **BUDGET AMENDMENTS**

Mrs. Tracie Killian made the following recommendations for amendments to the 2009-2010 budget.

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|---------------------------|------------|
| 1) #6110 Salaries & Wages | +\$6000.00 |
| 2) #6126 Social Security  | + \$300.00 |

Mrs. Killian stated the increase to these accounts is due to employee compensation for medical insurance.

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|----------------------------------|------------|
| 3) #6210 General Office Supplies | +\$2500.00 |
|----------------------------------|------------|

Mrs. Killian stated the increase to this account is due to the purchase of server.

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|--------------------------|------------|
| 4) #6121 Group Insurance | -\$5400.00 |
|--------------------------|------------|

Mrs. Killian recommended moving monies from account #6121 Group Insurance to account #6110 Salaries & Wages to cover the cost of medical insurance.

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|-------------------------------|------------|
| 5) #6393 Contractual Services | -\$3400.00 |
|-------------------------------|------------|

Mrs. Killian recommended moving monies from account #6393 Contractual Services to account #6210 General Office Supplies to cover the cost of the server.

**Motion made by Randy Sonnier and seconded by Don Albanese to accept the abovementioned budget amendments for the 2009-2010 budget.**

**Motion carried.**

**Ayes:** Albanese, Kieschnick, Neal, Phillips, Rogers, Shaw and Sonnier

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

## **PRESENTATION**

NEDC Board President, Stuart Kieschnick presented plaques to retiring board members Billy Neal and Nick Phillips for their six (6) years of dedicated service to the NEDC Board of Directors.

## **ELECTION OF OFFICERS**

A brief discussion was held concerning the following open positions for NEDC Executive Board. The positions are Vice President and Secretary/Treasurer. Stuart Kieschnick is currently filling the position of president and is eligible to keep that position for one (1) more year.

**Billy Neal nominated Stuart Kieschnick as President. Hearing no other nominations a motion was made by Don Albanese and seconded by Bert Rogers to accept Stuart Kieschnick as President by acclamation.**

**Motion Carried.**

**Ayes:** Albanese, Kieschnick, Neal, Phillips, Rogers, Shaw and Sonnier

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

**Bert Rogers nominated Erik Shaw as Vice President. Hearing no other nominations a motion was made by Don Albanese and seconded by Billy Neal to accept Erik Shaw as Vice President by acclamation.**

**Motion Carried.**

**Ayes:** Albanese, Kieschnick, Neal, Phillips, Rogers, Shaw and Sonnier

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

**Nick Phillips nominated Randy Sonnier as Secretary/Treasurer. Hearing no other nominations a motion was made by Don Albanese and seconded by Erik Shaw to accept Randy Sonnier as Secretary/Treasurer by acclamation.**

**Motion Carried.**

**Ayes:** Albanese, Kieschnick, Neal, Phillips, Rogers, Shaw and Sonnier

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

## **FINANCIAL REPORTS**

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

## **EXECUTIVE SESSION**

The regular meeting was recessed at 5:50 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 6:22 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.

**A motion was made by Nick Phillips and seconded by Bert Rogers to close the monitoring on Sumrall's Air Conditioning.**

**Motion Carried.**

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

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

Mrs. Killian reported Today's Vision has fulfilled their obligations to the NEDC through the monitoring process. Today's Vision received an incentive of thirteen thousand dollars and no/100 (\$13,000.00) on June 18, 2001 with a payback period of 5.1 years (61). Mrs. Killian recommended that the monitoring of the abovementioned client be closed.

Mrs. Killian reported Allan Mitchell owner of Let's Party received an incentive of fifteen thousand dollars and no/100 (\$15,000.00) on June 21, 2004 with a payback period of 2.2 years (26). Mr. Mitchell sold the business before he had met his obligations with the NEDC. After contacting him we received actual numbers with which to run a final analysis. The analysis came back with Mr.

Mitchell owing the NEDC eight thousand three hundred seventy five dollars and 40/100 (\$8,375.40) which he has paid in full.

**A motion was made by Bert Rogers and seconded by Nick Phillips to close the monitoring on Today's Vision and Let's Party.**

**Motion Carried.**

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

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

## **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.

She also presented each Board Member with statistics on sales tax, incentives and Beauxart Garden Road and Highway 69 progress.

Mrs. Killian made the following announcements:

1. The Nederland Chamber has scheduled their annual Golf Tournament for October 8, 2010 at the Belle Oaks Golf Course.
2. Nederland Rotary Spaghetti Dinner is scheduled for October 21, 2010 and tickets are available for each board member.
3. She would be attending TEDC Sales Tax Training and Annual Conference in Houston on October 5-8, 2010.
4. She would be attending the 2010 ICSC Texas Conference and Deal Making Conference in Grapevine, Texas on November 16-19, 2010.

## **ADJOURN**

**There being no further business, a motion was made by Nick Phillips and seconded by Randy Sonnier that the meeting be adjourned at 6:35 p.m. Motion carried.**

**Ayes:** Albanese, Kieschnick, Neal, Phillips, Rogers, Shaw and Sonnier

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

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Stuart Kieschnick, President

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Randy Sonnier, Secretary/Treasurer