

# NEDERLAND ECONOMIC DEVELOPMENT CORPORATION

## Minutes January 16, 2013

### MEETING

A meeting of the Nederland Economic Development Corporation was called to order at 4:35 p.m. at the Nederland Economic Development Corporation Office, 1903 Atlanta Avenue, by President Larry Ducharme.

### QUORUM

Board members present: Don Albanese, Talmadge Austin, Craig Belaire, Larry Ducharme, Stuart Kieschnick, Jim McNeill and Randy Sonnier. Absent: None. Others present: Jim Wimberley, NEDC Attorney, Mark Rantala, NEDC Executive Director and Marlinda Eastberg, Secretary, NEDC. Guest present: Bert Rogers, Nederland City Councilman, Chris Duque, Nederland City Manager, Commissioner Brent Weaver, Alex Rupp, Jack Brooks Regional Airport Manager, Steve Hamilton, Public Works Director City of Nederland and Tom Schwaab and Shawn Hanley, Howell's Furniture Company.

### MINUTES

**A motion was made by Craig Belaire and seconded by Randy Sonnier to approve the minutes of December 19, 2012.**

**Motion carried.**

**Ayes:** Albanese, Austin, Belaire, Ducharme, Kieschnick, McNeill and Sonnier.

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

### EXECUTIVE SESSION

The regular meeting was recessed at 4:37 p.m. by President Ducharme 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 advice and Texas Government Code, Chapter 551.072, to discuss acquisition, exchange, and/or release of property and Texas Government Code, Chapter 551.074, personnel.

### RECONVENE

The regular meeting was reconvened by President Larry Ducharme at 5:07 p.m. President Ducharme announced no action is needed on Texas Government Code, Chapter 551.071 to discuss litigation and/or legal advice, Texas Government Code, Chapter 551.072 discuss potential acquisition, exchange, and/or release of property or Texas Government Code, Chapter 551.074, to discuss personnel.

## **AMENDMENT AND MODIFICATION OF ECONOMIC DEVELOPMENT INCENTIVE**

President Ducharme announced that the following action is needed on Texas Government Code, Chapter 551.087, to discuss the offer of an incentive to a business prospect.

Mark Rantala stated that the numbers reported from Howell's Furniture Company for build out and employee salaries on the cost benefit analysis have changed and will be less than previously reported. He recommended keeping the incentive of two hundred fifty thousand dollars and no/100 (\$250,000.00) as previously awarded and increase their monitoring period from 1.6 years to 2.8 years.

**A motion was made by Stuart Kieschnick and seconded by Randy Sonnier to keep the previously awarded incentive of two hundred fifty thousand dollars and no/100 (\$250,000.00) for Howell's Furniture Company the same but extend the payback period from 1.6 years to 2.8 years.**

**Motion carried.**

**Ayes:** Albanese, Austin, Belaire, Ducharme, Kieschnick, McNeill and Sonnier.

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

## **INVESTMENT POLICY**

A discussion was held regarding updating the NEDC investment policy. Craig Belaire reported he had received a copy of the City of Nederland's investment policy and has integrated that policy to the needs of the EDC. Mr. Belaire stated the Executive Director and Board President will be designated investment officers. He recommends that a quarterly report be presented to the board of directors. The Investment Portfolio will consist of authorized investments that are all US Government or State of Texas backed such as banks or federally back credit unions. It also authorizes investment pools such as Texpool which is operated by the state comptroller's office. It was also brought to the boards' attention that many of the credit unions have gone to private insurance and wants to make sure the EDC used federally insured institutions.

**A motion was made by Craig Belaire and seconded by Don Albanese to accept the investment policy as presented.**

**Motion carried.**

**Ayes:** Albanese, Austin, Belaire, Ducharme, Kieschnick, McNeill and Sonnier.

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

## **ENGINEERING SERVICES**

A discussion was held regarding engineering services for the drainage study and road at the Jack Brook Regional Airport. A proposal has been received from Arceneaux & Gates Consulting Engineers, Inc. in the amount of fourteen thousand two hundred dollars and no/100 (\$14,200.00). Mark Rantala asked the board to share the cost of these services with the county.

**A motion was made by Stuart Kieschnick and seconded by Talmadge Austin to accept the proposal from Arceneaux & Gates Consulting Engineers, Inc. for preliminary engineering phase for commercial access serving commercial tracts at the Jack Brooks Regional Airport not to exceed seven thousand one hundred dollars and no/100 (\$7,100.00) contingent upon approval by Commissioners Court.**

**Motion carried.**

**Ayes:** Albanese, Austin, Belaire, Ducharme, Kieschnick, McNeill and Sonnier.

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

## **FINANCIAL REPORTS**

No financials were available at this time.

## **EXECUTIVE SESSION**

The regular meeting was recessed at 5:15 p.m. by President Ducharme 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 advice and Texas Government Code, Chapter 551.072, to discuss acquisition, exchange, and/or release of property and Texas Government Code, Chapter 551.074, personnel.

## **RECONVENE**

The regular meeting was reconvened by President Larry Ducharme at 5:55 p.m. President Ducharme announced no 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(s), Texas Government Code, Chapter 551.071 to discuss litigation and/or legal advice or Texas Government Code, Chapter 551.072 discuss potential acquisition, exchange, and/or release of property.

President Ducharme announced that the following action is needed on Texas Government Code, Chapter 551.074, to discuss personnel.

**A motion was made by Don Albanese and seconded by Randy Sonnier to approve a 3% pay increase and a total of five (5) weeks' vacation time for NEDC Executive Director Mark Rantala.**

**Motion carried.**

**Ayes:** Albanese, Belaire, Ducharme, Kieschnick, McNeill and Sonnier.

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

**COMMUNICATION**

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

Mark Rantala presented each board member with a copy of the book "Texas Got It Right" by Sam and Andrew Wyly and also a copy of the NEDC 2012 Annual Report.

**ADJOURN**

**There being no further business, a motion was made by Jimmy McNeill and seconded by Stuart Kieschnick that the meeting be adjourned at 6:00 p.m.**

**Motion carried.**

**Ayes:** Albanese, Austin, Belaire, Ducharme, Kieschnick, McNeill and Sonnier.

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

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Larry Ducharme, President

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Stuart Kieschnick, Secretary/Treasurer