

**MINUTES OF THE  
KAUFMAN ECONOMIC DEVELOPMENT CORPORATION  
BOARD OF DIRECTOR'S MEETING  
TUESDAY, AUGUST 9, 2016 at 6:00 p.m.  
Kaufman City Hall  
209 S. Washington  
Kaufman, TX 75142**

<b>PRESIDENT</b>	<b>ROY FERRELL</b>
<b>VICE-PRESIDENT</b>	<b>BARRY RATCLIFFE</b>
<b>SECRETARY/TREASURER</b>	<b>CARL STAPP</b>
<b>MEMBER</b>	<b>LISA PARKER</b>
<b>MEMBER</b>	<b>CURTIS SNOW</b>

President Roy Ferrell called the meeting to order at 6:00 p.m. on Tuesday, August 9, 2016. Board members present were Roy Ferrell, Barry Ratcliffe, Lisa Parker, Barry Ratcliffe and Curtis Snow. President Ferrell declared a quorum present. Also present were Executive Director Lee Ayres, City Manager Mike Slye and Secretary Jo Ann Talbot.

1. CONSIDER APPROVAL OF JUNE 14, 2016 KEDC BOARD MEETING MINUTES.

Board member Stapp moved to approve the June 14, 2016 KEDC Board Meeting Minutes. Board member Parker made the second. All voted AYE and the minutes were approved.

2. CONSIDER ACCEPTING JUNE 2016 KEDC FINANCIAL STATEMENTS.

Executive Director Lee Ayres reported KEDC brought in just under \$500,000.00 in revenue and have spent about \$930,000.00 for a net loss of \$434,000.00 year to date. He added that \$400,000 of the loss was in incentives for the Tables Manufacturing expansion. Executive Director Ayres reported though KEDC has more than \$1.1 Million in reserves, \$125,000.00 of that will come in July expenses for the town square project, \$450,000.00 of that should be expensed on the new road and approximately \$70,000.00 is committed for a Falcon Steel incentive.

Board member Ratcliffe moved to accept the financials. Board member Stapp made the second. All voted AYE and the motion carried.

### **EXECUTIVE SESSION**

President Ferrell declared to go into Executive Session at 6:03 p.m.

THE KAUFMAN EDC WILL HOLD A CLOSED EXECUTIVE SESSION PURSUANT TO CHAPTER 551, GOVERNMENT CODE V.T.C.A. (OPEN MEETINGS LAW), IN ACCORDANCE WITH THE AUTHORITY CONTAINED IN TEX. GOV'T CODE SECTION 551.072 REAL ESTATE AND 551.086 INCENTIVES.

REAL ESTATE - Under TEX. GOV'T. CODE Sec. 551.072

1. DISCUSS THE PURCHASE OF 3.71 ACRES FRONTING NEW HIGHWAY 34 BY-PASS, KAUFMAN, TEXAS.

ECONOMIC DEVELOPMENT – Under TEX. GOV'T CODE Sec. 551.086

2. DISCUSS GRANTING A LOAN FOR THE DOWNTOWN SQUARE STREETSCAPE PROJECT TO PROMOTE NEW AND EXPANDING BUSINESSES ON AND AROUND THE DOWNTOWN SQUARE IN KAUFMAN, TEXAS.

ANY FINAL ACTION, DECISION, OR VOTE ON A MATTER DELIBERATED IN EXECUTIVE SESSION MEETING OR ON INFORMATION RECEIVED IN A CONFERENCE WITH EMPLOYEES WILL ONLY BE TAKEN IN AN OPEN MEETING THAT IS HELD IN COMPLIANCE WITH TEX. GOV'T CODE CH. 551. THE CITY COUNCIL RESERVES THE RIGHT TO ADJOURN INTO EXECUTIVE SESSION AS AUTHORIZED BY TEX. GOV'T CODE SEC. 551.001, ET SEQ. (TEXAS OPEN MEETINGS ACT) ON ANY ITEM ON ITS OPEN MEETING AGENDA OR TO RECONVENE IN A CONTINUATION OF EXECUTIVE SESSION ON THE EXECUTIVE SESSION MEETING ITEMS NOTED ABOVE, IN ACCORDANCE WITH THE TEXAS OPEN MEETINGS ACT, INCLUDING, WITHOUT LIMITATION, SECTIONS 551.071-551.086 OF THE OPEN MEETINGS ACT.

The KEDC Board came out of Executive Session at 6:38 p.m.

### **END OF EXECUTIVE SESSION**

3. CONSIDER ANY OFFICIAL ACTION ON THE EXECUTIVE SESSION CLOSED MEETING ITEMS:

REAL ESTATE - Under TEX. GOV'T. CODE Sec. 551.072

- a. CONSIDER AUTHORIZING KEDC EXECUTIVE DIRECTOR TO ENTER INTO A SALES CONTRACT ON BEHALF OF KEDC WITH JWS, LLC FOR 3.71 ACRES FRONTING STATE HIGHWAY 34 BY-PASS.

After some discussion, Board member Snow moved to authorize KEDC Executive Director to enter into a sales contract on behalf of KEDC with JWS, LTD for the new triangular piece now totaling 4.53 acres at 65% of

the appraised value for the same price per acre that was indicated in the appraisal done by Brian Carrell. Board member Stapp made the second. All voted AYE and the motion carried.

ECONOMIC DEVELOPMENT – Under TEX. GOV'E. CODE Sec. 551.086

- b. CONSIDER AUTHORIZING KEDC EXECUTIVE DIRECTOR TO BORROW, ON BEHALF OF KAUFMAN ECONOMIC DEVELOPMENT CORPORATION, UP TO \$650,000.00 **AND** ENTER INTO A LOAN AGREEMENT WITH THE CITY OF KAUFMAN TO LEND THE CITY UP TO \$650,000.00 FOR USE IN THE DOWNTOWN SQUARE LANDSCAPE PROJECT FOR INFRASTRUCTURE IMPROVEMENTS INCLUDING THE RELOCATION OF WATER AND SEWER LINES, STREETS, SIDEWALKS AND OTHER THINGS TO PROMOTE NEW AND EXPANDING BUSINESSES ON AND AROUND THE TOWN SQUARE IN KAUFMAN, TX BASED ON THE TERMS DISCUSSED IN EXECUTIVE SESSION.

Board member Stapp moved and seconded by Board member Ratcliffe to authorize KEDC Executive Director to borrow, on behalf of KEDC, up to \$650,000.00 and enter into a loan agreement with the City of Kaufman to lend the City of to \$650,000.00 for use in the downtown square landscape project for infrastructure improvements including the relocation of water and sewer lines, streets, sidewalks and other things to promote new and expanding businesses on and around the town square in Kaufman, TX.

An amendment to the motion was made by Board member Snow and seconded by Board member Parker to bring the terms of the agreement to the KEDC board before entering into the agreement for approval between the KEDC and the City. President Ferrell called for a vote with all voting AYE, the motion carried.

4. DISCUSS AND CONSIDER SELECTING A CONSULTANT FOR ECONOMIC DEVELOPMENT STRATEGIC PLANNING.

Executive Director Ayres reported the Planning Task force made up of him, Board member Stapp and Board member Snow researched Texas Planning consultants. They met one time and developed a plan to put out a formal Request for Proposals to three, maybe four of the consultants. They plan to interview the top two based on their proposals. Executive Director Ayres reported he wanted to be sure this process is good with the entire board. Board member Snow made a motion to proceed to send out formal RFP's to no more than 4 consultants. Board member Ratcliffe made the second. All voted AYE and the motion carried.

5. ANNOUNCEMENTS FROM EXECUTIVE DIRECTOR.

1. State Highway 34 Ribbon Cutting, 9:00 a.m., Friday, August 12<sup>th</sup>, at Hwy. 34 and F.M. 1388.
2. Chamber of Commerce Auction September 17.
3. Ayres announced that a new Dickey's Bar-b-que should be up and running in Kaufman in about 90 days.
4. Sonic will soon be starting on their new building on S. Washington Street.
5. Reported on a new business and building in the Kaufman Business Park.

**ADJOURNMENT.**

There being no further business, President Ferrell adjourned the meeting at 6:53 p.m.

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Roy Ferrell, President                      Date

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Carl Stapp, Secretary                      Date