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BOARD MEETING MINUTES – June 29, 2018

PRESENT: Billy Whisenant, Carolyn Lawrence, Jerod Peek, Gil Cherry, Ken Becker, Larissa Place, Stacy Fritz, Patty Torres, Habib Erkan (on phone), Geoff Haney, Kinkead Johnson, Joseph Crouch, David Vela

CALL TO ORDER: 9:30 AM by Billy Whisenant

PRAYER: Gil Cherry

ACTION ITEMS:

SELECTION OF INTERIM OFFICERS: Board shall select an interim Vice President, and Secretary to serve until the selection of officers in October 2018 (Rules of Operation 3.01). Jerod Peek made the motion to elect Carolyn Lawrence as the interim Vice President. Gil Cherry seconded. The motion carried. Jerod Peek made the motion to elect Gil Cherry as the interim Secretary. Carolyn Lawrence seconded. The motion carried.

CONSIDERATION AND ACTION TO ADOPT A RESOLUTION ESTABLISHING RULES OF OPERATION AND DESIGNATE A REGISTERED AGENT. : Habib Erkan on the phone discussed the Resolution 2018-001 and the Rules of Operation. 2.05 would be the Board recommending to the City who they would like as the Executive Director. 2.09 is about Conflicts of Interest. Habib stated the state statute and advised if the Board has any questions to contact their legal counsel. 2.10 are the General Duties of the Board. These are the three main sections that effect the Board directly. Carolyn Lawrence mad the motion to approve the Resolution 2018-001 and recommend Ken Becker as the Registered Agent. Jerod Peek seconded. The motion carried.

CONSIDERATION AND ACTION TO ADOPT A RESOLUTON ESTABLISHING A PROJECT DEVELOPMENT FUND PURSANT TO TEXAS LOCAL GOVERNMENT CODE SECTION 377.072; APPROVING A BUSINESS SERVICES INTERLOCAL AGREEMENT WITH THE CITY OF SWEEWATER; APPROVING AN ECONOMIC DEVELOPMENT PROGRAM INTERLOCAL AGREEMENT WITH THE CITY OF SWEETWATER; ACEPTING THE ASSIGNMENT OF OBLIGATIONS FROM THE FORMER ECONOMIC DEVELOPMENT CORPORATION. : Habib Erkan reviewed Resolution 2018-002 as the startup resolution for the MDD.

Section 1: The SEED MDD in accordance with its Rules of Operation and Chapter 377 of the Texas Local Government Code hereby establishes a Development Project Fund.

Section 2: The SEED MDD hereby approves the Interlocal Agreement for Business Services between the District and the City of Sweetwater.

Section 3: The SEED MDD hereby approves the Interlocal Agreement for Economic Development between the District and the City of Sweetwater.

Section 4: The SEED MDD hereby accepts the transfer of the obligations of the former economic development corporation.

Section 5: The Board President is authorized to execute all documents necessary to complete the transition of assets and obligations and establishment of business operations of the District contemplated herein.

Section 6: This resolution shall take effect immediately from and after its passage.

Jerod Peek made the motion to approve Resolution 2018-002. Gil Cherry seconded. The motion carried.

CONSIDERATION AND ACTION TO RECOMMEND TO THE CITY MANAGER AN EXECUTIVE DIRECTOR TO SERVE AS CHIEF OPERATING OFFICER. (RULES OF OPERATION 2.05): Carolyn Lawrence made the motion to recommend Ken Becker as Executive Director to the City Commission. Joseph Crouch seconded. The motion carried.

CONSIDERATION AND ACTION TO ADOPT A RESOLUTION ESTABLISHING INVESTMENT POLICIES FOR THE DISTRICT: Carolyn Lawrence asked where the investment policy came from. Larissa Place advised from the attorney. Habib Erkan advised he was not sure who drafted it. Carolyn stated the SEED MDD should adopt the City of Sweetwater's Investment Policy since that is something this Board has never addressed before. Habib stated that would be find. Carolyn Lawrence made the motion to adopt the City of Sweetwater's Investment Policy. Jerod Peek seconded. The motion carried.



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CONSIDERATION AND ACTION TO ADOPT A RESOLUTION ACCEPTING FROM THE CITY OF SWEETWATER MONETARY FUNDS IT RECEIVED FROM THE TERMINATION AND DISTRIBUTION OF ASSETS BY THE FORMER ECONOMIC DEVELOPMENT CORPORATION: Jerod Peek made the motion to adopt Resolution 2018-004. Gil Cherry seconded. The motion carried.

CONSIDERATION AN ACTION TO ADOPT AN ORDER TO IMPOSE SALES AND USE TAX WITHI THE DESIGNATED BOUNDARIES OF THE DISTRICT AND AUTHORIZING AND APROVING THE LEVYING OF AN ADDITIONAL SALES AND USE TAX WITHIN THE DISTRICT. : Jerod Peek made a motion to adopt Order 2018-001. Carolyn Lawrence seconded. The motion carried

BOARD TO CONSIDER ENTERING EXECUTIVE SESSION: Jerod Peek made the motion to move into Executive Session. Carolyn Lawrence seconded. The motion carried.

BOARD TO CONSDER RE-ENTERING EXECUTIVE SESSION: Jerod Peek made the motion to move back into Regular Session. Gil Cherry seconded. The motion carried.

REVIEW AND CONSIDER APPROVING INCENTIVE AGREEMENT WITH CAPE & SON: The SEED MDD has offered an Incentive Agreement to Cape & Son as follows:

\$600,000.00 incentive based on expenditures of \$1,218,137.00 which includes 5 new tracks, land prep, culverts, and miscellaneous. The incentive is tied to an increase of 10,000 railcar traffic, excluding existing SandTrol (Covia) over a 4-year period. The SEED MDD will include a claw back of a dollar amount per railcar in the agreement. Gil Cherry made the motion to approve the Incentive Agreement. Jerod Peek seconded. The motion carried. (Joseph Crouch abstained from voting)

ADJOURN

Board to consider adjourning. Carolyn Lawrence made the motion to adjourn the meeting. Gil Cherry seconded. The motion carried.