



BOARD MEETING MINUTES – JUNE 20, 2016

PRESENT: Art Maberry, Kirby Andrews, Jerod Peek, David Welch, Billy Whisenant, Ken Becker, Larissa Place, Jordan Solis, David Vela, Shane Dent, & Larry Locke

CALL TO ORDER: 10:40 AM by Art Maberry

PRAYER: Jerod Peek

WELCOME GUESTS: Art welcomed our new City Manager David Vela. Ken welcomed our guest Shane Dent (Dent Trucking) and Larry Locke (Logistics Support)

Larry Locke (Logistics Support) Presentation:

- Buzzi expansion has led to an increase in the product Larry will need to export from their facility
- Buzzi will double their output.
- Fire damaged some equipment requiring Larry to use his own money to repair.
- Seeking assistance in the form of new engines to carry more loads.

Shane Dent (Dent Trucking) Presentation:

- Dent Trucking would like to expand into a logistics brokerage
- They are also interested in hiring more owner/operator drivers

ACTION ITEMS:

MINUTES: Board to review and consider approving minutes from the May 2016 meeting. Jerod Peek made the motion to approve the minutes. Kirby Andrews seconded. The motion carried.

FINANCIALS: Board to review and consider approving the April 2016 financial statements. David Welch made the motion to approve the financials. Billy Whisenant seconded. The motion carried.

ACCOUNTS PAYABLE: Board to review and consider approving accounts payable for June 2016. David Welch made the motion to approve the accounts payables. Billy Whisenant seconded. The motion carried.

MARKETING/ADMIN UPDATE (Larissa Place): The board was updated on the following topics:

- WTxEC Summit Abilene, TX August 10-11, 2016 at the Abilene Civic Center. If any Board members are interested in attending let Larissa or Ken know. Larissa will send out the flyer with information.
- BNSF Luncheon at Buck's on June 27, 2016 at noon. Kirby and Art will be attending. If any others are interested in attending let Larissa or Ken know.
- SEED would like to organize a Cyber Security seminar for local business. This will be held in the fall (Sept/Oct). It is a 4 hour course and it completely free. We would need at least 25 people to participate.
- Ken and Larissa will be working on the budget. Will have a first draft at the July Board Meeting. And a final at the August Board Meeting

EXEC DIR. UPDATE (Ken Becker): The board was updated on the following topics:

- TST has closed. Is SEED interested in the property?
- PCCA will be selling their buildings near Newman Park. Is SEED interested in them? Kirby mentioned the land may be worth the investment.
- We received the Logistics Report for the Consultant. It is the first step and a broad overview. Will need to discuss if we would like to move on to phase 2.
- CREST has hired 20 new employees.



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EXECUTIVE SESSION: Board to consider adjourning to Executive Session. There being no further business, Jerod Peek made the motion to adjourn. Billy Whisenant seconded. The motion carried.

RE-ENTER REGULAR SESSION: Board to consider re-entering regular session. David Welch made a motion to re-enter regular session. Kirby Andrews seconded. The motion carried.

ACTION ITEM: Ken Becker made a recommendation to purchase two engines, not to exceed \$575,000.00, which SEED will own and lease through incentives to Logistic Support. This will be a triple net lease over a 5 year period, where Logistics Support is required to increase their railcar volume to 12,000 cars in the term of the contract. SEED will need to be added to the rail insurance as an additional insured. The Board also required Larry Locke to supply a \$500,000.00 key man life insurance policy. Jerod Peek made the motion to approve. Billy Whisenant seconded. The motion carried.

ACTION ITEM: Ken Becker made a recommendation to provide a line of credit for up to a \$500,000.00. The initial maximum line of credit will be set at \$300,000.00 with a review every 6 months to determine if it needs to be changed. If a change in the line of credit is needed, the SEED Board will need to approve it as an action item. The line of credit will be collateralized by the accounts receivables from the additional business. SEED will also provide a letter of credit for a performance bond in the amount of \$75,000.00 to be reviewed at the end of three years w/ two "one" extensions possible. Billy Whisenant made the motion to approve. David Welch seconded. Kirby Andrews abstained. The motion carried.

ADJOURN: Board to consider adjourning. There being no further business, Kirby Andrews made the motion to adjourn. Jerod Peek seconded. The motion carried. The meeting was adjourned.