

## MINUTES

### AMARILLO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS

March 23, 2020

The meeting of the AEDC Board of Directors was held at 801 S. Fillmore, Suite 205, Amarillo, Texas at 11:00 am on March 23, 2020. Board members in attendance were:

| Voting Members | Board Position       | Present | No. Meetings Held | No. Meetings Attended |
|----------------|----------------------|---------|-------------------|-----------------------|
| Lloyd Brown    | Chairman             | Y       | 25                | 20                    |
| Scott Bentley  | Vice-Chair/Secretary | Y       | 15                | 15                    |
| Brian Heinrich | Director             | Y       | 47                | 45                    |
| Laura Street   | Director             | Y       | 35                | 33                    |
| Andrew Hall    | Director             | Y       | 3                 | 3                     |

Also, in attendance were the following staff members:

|                |  |
|----------------|--|
| KEVIN CARTER   | PRESIDENT & CEO                            |
| DOUG NELSON    | Sr. VP, FINANCIAL SERVICES                 |
| MICHAEL KITTEN | VICE PRESIDENT, BUS. RETENTION & EXPANSION |
| CHRIS LYLES    | OFFICE ADMINISTRATOR                       |

ITEM 1: Chairman Brown established that a quorum was present and called the meeting to order.

ITEM 2: Chairman Brown requested a motion to approve the minutes of the February 24, 2020 Board of Directors meeting. Director Heinrich made a motion to approve the minutes as presented. Director Hall seconded the motion. The motion was approved.

ITEM 3: President Carter introduced Lani Hall, auditor with CMMS and Michelle Bonner, Treasurer, Amarillo EDC Board and Deputy City Manager, City of Amarillo to present the FY2019 audit.

Ms. Hall provided details on various items within the audit for FY2019 as information for the board. Questions asked by the board were answered by Ms. Hall, Ms. Bonner and President Carter.

Ms. Hall also reviewed the letters, which are included with the audit, for the board's information.

Chairman Brown asked for a recommendation regarding the audit as presented. Vice-Chairman Bentley made the motion to approve the audit as presented. Director Street seconded the motion. The motion was approved.

ITEM 4: Chairman Brown adjourned the meeting into executive session at 11:30 am.

No action was taken during the executive session because none is permitted by law.

The public session reconvened at 12:48 pm

ITEM 5: **19-07-01, Golden Spread Electric Coop** – President Carter provided an overview of the current project as well as the proposed project. The current Location Incentives Agreement keeps the GSEC headquarters in Amarillo until 2032 and is based on a local spend, which has been exceeded every year.

The new Location Incentives Agreement is to bring additional jobs and additional function to Amarillo. They currently outsource their transmission and distribution function, so they will bring those in-house, creating up to 15 jobs: 5 jobs within the first year then have four years to create the additional 10 jobs.

The jobs would be incentivized at \$20,000 per job, paid out over a 5-year period. The maximum incentive would be \$300,000. The jobs must be retained for 10 years.

There were various comments from the board regarding the project.

ITEM 6:

Director Street made a motion to accept the funding of the proposal as presented. Director Hall seconded the motion. The motion was approved.

**20-03-01 Infrastructure Improvements** – Infrastructure improvements between 5th & 6<sup>th</sup> Streets and Bowie & Parker. The site work would help with expansion and future development of the area.

Director Heinrich asked where the balance of the funding for the development project would come from, as the AEDC would potentially providing \$1,200,000 in site work development.

President Carter stated that the city can apply for a matching grant to cover the remaining cost, after the commitment from the Amarillo EDC.

If the grant is not approved, the EDC would not be obligated to make the site improvements, unless the board commits to do so.

Vice-Chairman Bentley requested clarification of the project. Director Street provided input.

Director Heinrich made a motion that the board approve this expenditure based on the assumption that the city will receive the grant applied for to cover the additional cost of the project, which will be valued at four-times AEDC's contribution to the cost of the site improvements. Vice-Chairman Bentley seconded the motion. The motion was approved. Director Hall abstained from this vote.

ITEM 7: **Discuss and consider the evaluation/compensation of the President & CEO.** Vice-Chairmen Bentley provided an overview of the compensation committee's recommendation, which is to offer a 20% bonus to President Carter. Director Heinrich seconded the motion. The motion was approved.

President Carter asked to defer the bonus to not later than the end of the fiscal year, which is September 30, 2020, due to the current situation with the COVID19 pandemic.

ITEM 8: **Staff Financial & Operational Updates:** President Carter gave an update on the sales tax collected, which was up 4.19% for January, 4.4% for the year. He stated that the Hotel/Motel tax is flat.

President Carter stated the January and February Managerial reports are available for the board's review and inquiry.

Questions presented by the board were answered by various staff members.

President Carter provided an update on a website being built by Vice-President Hales and Director Tarbet which will provide links to various organizations that can assist the general public as well as businesses. He also stated that the staff will begin working remotely until further notice, except when they must take care of responsibilities in the office.

ITEM 9: The next meeting for the Board of Directors of the Amarillo EDC is scheduled for Monday, April 20, 2020 at 11:00 am.

ITEM 10: Chairman Brown provided an opportunity for comments from the public. There were none.

ITEM 11: The March 23, 2020 meeting of the Amarillo EDC Board of Directors was adjourned at 1:08 pm.

The undersigned certifies that the foregoing information is correct.

  
Lloyd Brown, Chairman