

GLADEWATER ECONOMIC DEVELOPMENT CORPORATION
REGULAR SESSION MINUTES
WEDNESDAY, DECEMBER 13, 2023, 4:00 PM

PRESENT: Luke Kimbrough, Jim Bardwell, Danny Darden, Mark Carpenter, John Paul Tallent, Michelle Palmer (Executive Director), Amanda Nobles (Consultant), Scott Owens (Ex-Officio), and Charlie Smith (Ex-Officio)

ABSENT: Kevin Clark (Ex-Officio)

GUESTS: Lois Reed

1. **CALL TO ORDER:**

The meeting was called to order at 4:01 PM.

2. **CITIZENS COMMENTS:**

None

3. **CONSENT AGENDA:**

- (a) Acceptance of November 15, 2023, Special Meeting Minutes
- (b) Acceptance of November Financial Report

Jim Bardwell made a motion to accept the consent agenda. John Paul Tallent seconded. Motion passed 5-0.

4. **DISCUSSION AND CONSIDERATION of Langan update concerning 1025 E. Commerce:**

Bryan Rossman from Langan Engineering explained the property on Commerce Street presents concerns of potential contamination due to its prior industrial use, rendering it a non-performing asset with no current tax revenue contribution. In exploring pre-development activities, an estimated investment of \$144,000 is projected to transform the site into a pad-ready space, leveraging its strategic location with water, sewer, and transportation infrastructure. He emphasized the property's potential value for economic development underscored the need for further testing to address environmental concerns. Stressing the importance of investment to enhance marketability, Mr. Rossman expressed the ultimate goal is to convert this underutilized asset into a catalyst for job creation and expansion of the tax base.

During the board discussion, Mark Carpenter suggested assessing the possibility of local contractors providing quotes for the cleanup process, potentially reducing costs significantly. Concerns were raised by Mayor Owens about the need for an environmental study before proceeding with any cleanup activities to avoid unforeseen issues. It was emphasized that conducting a phase two environmental study is essential, especially if there is a well on the property. The discussion touched upon the presence of a pumping unit, and the need to confirm its ownership with the Railroad Commission. Mr. Carpenter was skeptical about the property's proposed worth of \$76,000 per acre after being made site ready, considering recent transactions in the area. The consensus was to table further decisions until more information is gathered, including the results of an environmental study.

Mark Carpenter made a motion to table the item. Danny Darden seconded. Motion passed 5-0.

5. **DISCUSSION AND CONSIDERATION to contribute toward the purchase of the City of Gladewater Christmas Tree:**

Mayor Owens informed the board that the City Council had approved, albeit non-budgeted, participation in purchasing a new Christmas tree for downtown. The current tree, having accumulated wear and requiring replacement parts, is estimated to cost around \$20,000 to replace. Last year, a similar proposal was passed over, but this time, with some funds already collected by the chamber and an additional \$5,000 donation, there is \$10,000 toward the new tree. The city had authorized up to \$15,000, hoping for further donations. Mayor Owens said the city is seeking contributions from GEDCO and other parties to cover the remaining costs. Lois Reed was called upon as she received the original replacement quote. She mentioned an increased price due to inflation. Jim Bardwell stressed the importance of assessing the actual cost before finalizing any contributions. Mark Carpenter presented the idea of matching contributions. Mr. Bardwell re-emphasized the need for a clear understanding of the total required amount before deciding on specific figures. Mrs. Reed said the purchase will be after Christmas in the hope that it will be on sale. A more precise cost estimate is expected by February or March.

Mr. Carpenter made a motion to match the City's contribution towards the new Christmas tree up to \$5,000. No second was made so the motion died. The conversation resumed and a consensus that a firm number is needed for further decision-making was quickly reached.

Jim Bardwell made a motion to table the item. John Paul Tallent seconded. Motion passed 5-0.

6. DISCUSSION AND CONSIDERATION to purchase a name plate(s) on the City of Gladewater downtown fence:

Mayor Owens explained that the city had been leasing the property adjacent to the railroad downtown but faced challenges when the pricing became unfavorable. The city eventually resorted to legal measures to initiate negotiations and eventually purchased the property, with stipulations for a fence on the south side, 50 feet from the railroad. Mayor Owens continued stating the city proposal involves selling sections of a wrought iron fence with personalized plates for \$1,500 each, aiming to honor individuals, families, or organizations to help cover the cost. The total project cost is approximately \$150,000, with a vendor requirement that seven sections are purchased at a time. The fence is intended for safety, guiding pedestrians to designated crossings and enhancing the downtown aesthetic. Jim Bardwell raised concerns about fence maintenance and insurance coverage. Mayor Owens said the city plans to maintain the fence and hopes for minimal maintenance, given the quality of the materials. Charlie Smith assured the board the fence would be insured. Mr. Bardwell inquired about how much letter space is available on a plate with concern that placing GEDCO on a plate would be ineffective. He suggested "Gladewater EDC" as a better option. Clarifications were sought regarding bidding processes, insurance coverage, and liability for potential damages, with an emphasis on the city's responsibility for upkeep and potential insurance claims in case of damage.

Jim Bardwell made a motion to purchase one section of fencing for \$1,500. John Paul Tallent seconded. Motion passed 5-0.

7. CONSIDERATION to approve updated version of the Grow Gladewater grant:

Michelle Palmer stated that during the previous month's discussion, proposed revisions were presented, and additional changes were requested, which have now been incorporated into the current draft. Jim Bardwell recalled some questions raised during the previous meeting, particularly by Danny Darden and Mark Carpenter, were not fully addressed, prompting a decision to revisit and present a final version for approval. Mr. Carpenter mentioned two significant changes were emphasized, one related to the alignment of goals within the grant initiative and the other concerning the economic impact evaluation criteria.

Mark Carpenter made a motion to approve the updated version of the Grow Gladewater Grant. Jim Bardwell seconded. Motion passed 5-0.

8. Discussion and Consideration of purchasing advertorials from The Gladewater Mirror:

Mark Carpenter voiced concerns regarding expenditures on advertorials in the local newspaper, the Gladewater Mirror, citing information from Austin's conflict of interest guidelines related to financial transactions involving board members. According to these guidelines, a nonprofit corporation can engage in a transaction with a director having a financial interest under certain conditions to protect the corporation's interests.

Emphasizing the importance of compliance with the Texas Nonprofit Corporation Act, Mr. Carpenter highlighted that contracts or transactions involving a director's financial interest are not automatically void if approved by the board. He underscored that such transactions must be voted on by the board, with the involved director abstaining from voting.

Jim Bardwell clarified his role as the director in question, explaining that he had taken care to avoid a conflict of interest. He affirmed that he did not solicit the service, never signed a check to the Gladewater Mirror, and abstained from any vote concerning the Mirror. In a small town with limited options, he explained that Mrs. Palmer had no other resource to use as the Mirror is the sole newspaper in Gladewater. Mr. Bardwell also recalled signing a conflict-of-interest form when initially appointed to the board.

Mr. Carpenter countered, asserting that the purchase of advertorials had not been brought to the board's attention before, during, or after the purchase. He argued that proper procedures were not followed and proposed that each advertorial purchase should be subject to board approval, though he acknowledged potential satisfaction with approval of the overall project and an annual budget for it.

Danny Darden requested clarification about when budget approval was not granted, and a discussion ensued, confirming that the promotional budget had already allocated funds for such endeavors, with almost unanimous agreement that secondary approval should not be required. Mr. Darden asserted that the insinuation that something was done incorrectly or inappropriately is not true.

Leading a detailed discussion on the specific cost of advertorials, their frequency, and the potential annual budget impact, Mr. Carpenter revisited considerations about whether the board should approve each advertorial individually or the overall project budget annually. Mr. Darden and Mayor Owens agreed that the matter had been thoroughly discussed previously and should be put to rest.

Mr. Carpenter sought approval for a \$5,200 expenditure specifically on advertorials in the Gladewater Mirror. Luke Kimbrough expressed a desire not to restrict Mrs. Palmer's hands in using the promotional budget, and Amanda Nobles voiced concern that such a vote would set a precedent requiring individual board approval for similar projects.

In light of these discussions, Mr. Carpenter proposed tabling the discussion for further review and clarification, emphasizing the need to ensure compliance with conflict-of-interest protocols and explore potential amendments to the bylaws.

Mark Carpenter motioned to table the item. Luke Kimbrough seconded. Motion died 2-2. Jim Bardwell abstained.

9. EXECUTIVE SESSION: Convene into Executive Session in compliance with Texas Local Government Code, Section:
 (a) §551.072 Deliberation About Real Property – Project 324c
 (b) §551.072 Deliberation Regarding Economic Development Negotiations – Project Big Man Expand

Closed session began at 5:12 PM.

10. RECONVENE IN REGULAR SESSION and take any necessary action regarding items from Executive Session:
 (a) §551.072 Deliberation About Real Property – Project 324c
 (b) §551.072 Deliberation Regarding Economic Development Negotiations – Project Big Man Expand

Open session began at 5:45 PM.

Jim Bardwell made a motion to table item (a) Project 324c. John Paul Tallent seconded. Motion passed 5-0.

Mark Carpenter made a motion to approve item (b) Project Big Man Expand authorizing the board president and executive director to negotiate and sign the performance agreement. Danny Darden seconded. Motion passed 5-0.

11. ADJOURN:

Mark Carpenter made a motion to adjourn. Jim Bardwell seconded. Motion passed 5-0.

The meeting ended at 5:46 PM.

Michelle Palmer, Executive Director

ATTEST:

Danny Darden, GEDCO Secretary/Treasurer