

**MINUTES**  
**Linden Economic Development Corporation**  
**AND**  
**Linden Section 4B Economic Development Corporation**  
**REGULAR CALLED MEETING**

201 North Main Street Linden, Texas 75563  
Tuesday, July 18, 2017

Members Present LEDC A: Malthus Northcutt, Frank Lanier, Larry Wells, Richard Bowden  
Members Present LEDC B: Malthus Northcutt, Frank Lanier, Larry Wells, Richard Bowden  
LEDC Staff Present: Gus Gustafson, Beverly Freeman  
Guests Present: Ben Woods, Clarence Burns, Tim Wilson, Allie Anderson

1. Call to Order  
President Wells called the meeting to order at 11:50 am
  
2. Presentations
  - a. Gus Gustafson thanked the Board for the opportunity to serve as LEDC Executive Director. Mr. Gustafson stated he was ready to get moving.
  - b. Tim Wilson gave an informative overview of his business, "Small Business Development Council" and how he could assist LEDC with potential loan candidates.
  
3. Approval of Minutes
  - a. June 20, 2017 Minutes. Mr. Bowden made a motion, seconded by Mr. Northcutt, to accept the June 2017 meeting minutes. Motion passed.
  
4. Financial Reports
  - a. June 2017 Financials. Mr. Northcutt made a motion, seconded by Mr. Lanier, to accept the June 2017 financials for both Type A and Type B Corporations. Motion passed.
  - b. Local Sales and Use Tax - for the record.
  - c. Credit Card and Bank Balance – for the record.
  - d. Review Budget –vs- Actual. Board reviewed B-vs-A and expenses are on track with the budget. President Wells asked Staff if we still need the 2 storage unit. Staff will review the contents of the building as soon as convenient. Staff also to find a way to simplify payments--every other month adds confusion. Also, review the convenience of paying with credit card when applicable, breaking out cost on the billing as opposed to writing two checks.
  - e. 15-16 LEDC Corporations A & B audits accepted by City Council July 10, 2017 – for the record.
  
5. Old Business
  - a. THM Contract Update – discuss and take action. Mr. Lanier updated the Board, Total Highway

Maintenance[THM] was recently awarded another 2-year contract with the State. This included an option for another 2 more years. THM wishes to remain in the Highway 8 building. Mr. Lanier will continue working with them as they make a decision whether to continue renting or to purchase the building. The current lease is through September 30, 2017. If THM decides to purchase the building, LEDC will need to have an appraisal done--hopefully sharing that cost with THM. If THM has not reached a decision by September 30, 2017, Mr. Lanier will negotiate a monthly lease agreement.

6. New Business

- a. Switch phone/internet provider. Staff presented a proposal from Etex, requesting permission to switch from Windstream to Etex. Etex pricing slightly lower than Windstream. Mr. Bowden made a motion, seconded by Mr. Lanier, to switch phone/internet providers. Motion passed.
- b. Discuss available property at Hwy. 59 @ 125. The mayor updated the board on available property on Hwy. 59, owned by Mr. Jay Sterling Clements of Atlanta. Board will continue discussion when more information is available (cost, lot size).
- c. Amend May 16, 2017 Minutes. The Board agreed to amend May 16, 2017 minutes regarding Agenda Item 6. c "City Administrator to discuss ideas on Executive Director Search". The amended copy to be more descriptive. A motion was made by Mr. Lanier, seconded by Mr. Bowden, to amend the May 16, 2017 minutes, Agenda Item 6.c to read as follows:

Mr. Swisher, City Administrator, proposed a dual role, where he serves as both City Administrator and the Executive Director of LEDC Corporations A & B. Mr. Swisher proposed that 20% of his work hours would be dedicated to LEDC management and 80% to city business. Most of the LEDC workload would be accomplished by the LEDC Office Manager position. The proposal reflected a forecasted cost savings in the near-term. Mr. Swisher's city administrator salary would not change and, he would be paid \$10k by LEDC for his 20% of time. Estimating the Executive Director salary of \$60k, he forecasted a potential savings of \$50k. Mr. Swisher stated some of the benefits of a dual role is creating unity, instant feedback from the City, eliminating duplication of effort, cuts overhead cost and creates a common vision/goal. The Board thanked Mr. Swisher for his presentation.

Motion passed.

- d. Preliminary Discussion 2017-2018 Budgets. In preparation for August budget presentation to board, we reviewed a few outstanding questions and projects such as Façade Funds and Billboard maintenance. Staff to update suggested budget to Board in August.

7. Executive Session

Mr. Northcutt made a motion, seconded by Mr. Lanier, to enter Executive Session at 1:52 pm

- a. Current Loans & Loan Applications. Ms. Freeman provided an update on existing loans and the Board discussed how to address the 4 loan applications in-house.
- b. Review Directors up for reappointment.

Mr. Bowden made a motion, seconded by Mr. Northcutt, to exit Executive Session at 2:18 pm

8. Action Items

- a. Current Loans & Loan Applications: A special called meeting was called for August 1, 2017 to discuss the 4 loan applications. Board requested representation from the loan committee be present at the special called meeting, to field any questions the board may have, and in support of their decisions/findings for each application.
- b. Review Directors up for reappointment: Ms. Freeman reminded the Board that there are 4 Board positions up for re-nomination by City Council: Mr. Lanier, Mr. Spencer, Mr. Morgan and Mr. Bowden. This action will take place at our August 15, 2017 meeting. In addition, the Officers are up for reappointment to their 2<sup>nd</sup> year of service.

9. Adjourn

- a. Adjourn  
A motion was made by Mr. Lanier, seconded by Mr. Northcutt, to adjourn at 2:34 pm.

8/4/2017 bf