

February 2016 Meeting Minutes
Greater Nocona Area Economic Development Corporation (Type A) &
Nocona Municipal Economic Development Corporation (Type B)
at the Tales and Trails Museum February 2th, 2016

Agenda items:

I. Roll call and call to order: Type A & Type B – Confirm Quorum for Type A & Type B

Type A Board President Kyle Reynolds called the meeting to order at 12:09 pm. Also present were Chance Dingler, Tracey O’Neal and Tyler Thomas.

Type B Board President Phil Staley called the meeting to order at 12:09 pm. Also present were Brandi Shipman, Don Davis, Dan Fenoglio, Billy Henley and Sandra Reynolds.

Also present were Zachary Renfro; and James and Caden Fenoglio with the Fenoglio Boot Company.

a. Approval of Type A and Type B January meeting minutes

Both Boards approved the January minutes

b. Acceptance of November Type A & Type B financials

Both Boards accepted the December financials. The director was asked about the Leadership Montague County and capacity building budgeted items. He explained the LMC monies were mainly meant to assist with the Austin orientation, which happens during the legislative session, but they are also used for other expenses like the retreat and lunch. The LMC does not directly receive the monies, but rather monies are paid directly for the service or items purchased. The budgeted amount is the maximum allowed, not necessarily the amount spent. Bowie EDC also contributes to the LMC program’s success. The director also explained that capacity building was adding resources to the community, such as Lemonade Day, which encourages an entrepreneurial environment. Other capacity building efforts have included training workshops for community members and even the proposed fiber optic network would fall in this category.

II. CLAY STREET RENOVATIONS PUBLIC HEARING

The public hearing opened at 12:12 pm

The director again introduced Zachary Renfro who is moving his law practice and that of Roger Williams to 210 Clay Street (the original Hadley office supply building). Mr. Renfro is requesting a \$25,000 loan from the revolving loan fund. The Type B Board has placed the proposal for a \$25,000 10-year, 2% interest loan on the 60-day clock. Mr. Renfro explained he was especially requesting the monies to help make the façade blend with the other buildings on Clay Street. The total cost of the renovations are expected to be over \$100,000 in total. Mr. Renfro brought pictures of nearby buildings to show the type façade he is applying and a drawing of the Clay street facade. He explained it is a composite material made to look like stone, but without as much added weight.

There were no negative comments about funding the project.

The public hearing closed at 12:19 pm

III. FENOGLIO BOOT COMPANY EQUIPMENT PROPOSAL

The director introduced James Fenoglio, owner of the Fenoglio Boot Company, who is in need of additional equipment. According to Mr. Fenoglio the company has already invested more than \$100,000 of its own monies in new equipment and upgrades. In previous discussions with the director two possible approaches to this request for assistance might be considered.

First would be to roll the requested amount into the current **Type A Board** 5-year, 0 percent interest loan (originally a Montague Boot Company note and an additional \$18,000 for the dust collecting equipment totaling \$30,536 and December 2015 balance of \$23,919.52) and extend the time frame to keep the payments at the current amount of \$509, which would equate to 10 years and 4 months.

Another option would be to forgive the current loan and allow the Fenoglio Boot Company to reallocate its monthly payment to its own purchase of the equipment.

The Type A Board adjourned into executive session at 12:58 pm

The Type A Board returned to the open session at 1:07 pm

The Board approved offering to roll the \$39,000 into the current loan at zero present interest, with a 7 ½ year term, which would equate to \$695 per month. The Board requested the director determine from Mr. Fenoglio if that was agreeable and, if so, place it on the February City Council agenda for authority to expend the funds.

IV. Staff Updates and Travel

a. Nocona Chamber of Commerce Event Barriers Project Complete

The director noted the City Council approved expending the funds at its January meeting and checks were cut to the Chamber since the barriers had been delivered earlier. Board members that had seen the barriers mentioned the heavy duty construction and that they were being stored in the complex under the water tower. It was also explained that the city was constructing trailers so the barriers could be easily moved.

b. Fiber Optic Network Project Update

According to the director the consultant has submitted a draft Request for Proposal which completed the contract for services and final payment, within the proposed budget, is expected this month. The director also said that since the county did not seem interested in expanding such a project county-wide, the local workgroup determined to look at getting fiber to Nocona businesses as the first phase, with expansion to fiber-to-home and then extension to Lake Nocona as later phases. The first project would be obtaining fiber access in Nocona. Currently, fiber exists about 15 miles from Nocona in all four directions (Montague, Saint Jo, Ringgold and Oklahoma). At \$50,000 per mile industry estimate that equates to \$750,000, Conversation between the director and the consultant with Gov. Abbott's staff indicated these monies might be available using federal 911 funding.

The second immediate step would then be to create a network around Nocona. Initial theory is to extend fiber two miles along Blue Mound Road from the eastern city limit to Airport Road and the same distance on the south from Airport Road to the city limit. The north-south lines would run about 1 ½ miles south from Blue Mound (this would be close to the old airport entrance) and the same on the east city boundary. An additional east-west line would include along Hwy 82. North-south routes would include FM 103 and along Main Street, as well as Henrietta and Fannin Streets. Additional short lines would then be run between these lines at Croxton, Willow, Elm and Cottonwood Streets. This would also equate to about 15 miles of line and another \$750,000. State and/or private funding are being considered for this circuit.

This would effectively create a viable approach to attract commercial utilization of the fiber by reducing the initial commercial investment to \$0. Negotiations could then be made about creation of commercial fiber-to-home options with the commercial operator.

The director plans to schedule more discussions with Gov. Abbott's staff and national financing experts while in Bastrop for the workshop and conference. Expectations are to have the RFP complete with funding opportunities by March.

c. Lemonade Day Project Update

Final student applications are being collected. Currently it appears there will be between 10 and 15 booths. The committee is scheduling an organizational meeting soon to get everyone registered on-line and beginning the project training.

Conversations with the financial institutions' participation within North Montague County have been well received. Next begins finding resources to assist with the booth construction. Lemonade Day will be May 21, 2016

d. Rebirth Leather Loan Decision

The director explained this was a long term loan that was done prior to his arrival. The term of the contract ended in late 2014 but, as previously discussed, there was a shortfall of about \$1,100 on the \$15,000 note due to missed payments during the 5-year project. Staff sent certified letters earlier asking about completing the payments, but no response. Staff again suggests getting this off the books by absorbing the loss. Staff previously presented that a legal approach to the remaining payments would be billed to Nocona EDCs at the regular rate and would probably come close to the amount owed, if not more.

The Boards agreed to write off the remaining \$1,100 debt.

e. Administrative Staff Salary

The director said that Nell Ann McBroom's salary has been a shared benefit and expense with the Nocona Chamber of Commerce. Especially now that the Nocona EDCs is a one person operation, Nell Ann's assistance with phones, mail and other duties is quite helpful. It recently became known by the director that the Chamber had actually increased the salary from \$8.50 an hour to \$9 an hour. The director also noted he had been notified Friday, Jan 29 that the Chamber was also seeking to raise the rate to \$10 an hour. Although not budgeted, monies do exist for the increase.

The Boards agreed to maintaining an equal distribution of Nell Ann's salary with the Chamber, up to the proposed \$10 an hour.

f. Copier Status

The director drew attention to the Board packages and that Board members may have noticed the 15-year-old copier is developing problems and is no longer serviceable by Canon due to lack of parts. The Chamber has a donated Ricoh B&W copier that does not have the same capabilities, but should be workable for the near future. The director explained that in searching for affordable maintenance in the area, the Copy Doctor had recommended maintaining the Canon machine for the moment with generic parts and being able to service the Ricoh machine. Cost and labor for the Canon would be about \$155

Following discussion about copier costs the Boards agreed to maintain the Canon copier as long as it was financially viable.

g. Leadership Montague County Government Class, Feb. 12

The director is helping with this class, which also corresponds to the legislative session trip to Austin, which he coordinates.

h. CDFA Financing Workshop, Feb. 24, Bastrop

The director plans to attend, especially to determine possible resources for the fiber optic project.

i. Texas Economic Development Council Winter Conference, Feb. 24-26, Bastrop

The director plans to attend.

V. Items of community interest

- a. Feb 4 - 6 Mardi Gras Nocona Style
- b. Feb 13 Nocona Nights with Walt Wilkins and Valentine's Day Dance at the "V"
- c. Feb 20 Acoustic Jam & Potluck Meal at Senior Citizens Center

Adjourn: The meeting adjourned at 1:10 pm.