



GEIC Board Meeting Board Meeting Notes

December 3rd, 2019 Meeting

Attendees:

Jack Graham
Brandon Anderson
Neal Blanton
Bob Coleman
Chris Holland
Mickey Schoenhals
Alex Heartfield

I. Call to Order

Jack Graham, GEIC President called the meeting to order for our December 3rd GEIC Board of Directors meeting.

II. Last Meeting Minutes – 12/3/2019

Joseph Beruta asked the GEIC board to review and approve the minutes from the last GEIC Board of Directors meeting on September 9th, 2019. Jack asked if there were any updates/changes to the minutes. Jack made a motion to approve the minutes as is. Bob Coleman made a motion to approve. There was a second by Chris Holland. The board approved the minutes from the September 9th meeting.

III. Financial Report

Jack Graham ask the board to review the latest financials. Joseph Beruta explained the materials related to the GEIC Balance Sheet Summary based on most recent date of November 27th. The financial update included a summary spreadsheet of GEIC's deposits and expenses for the last 3 months (Sept – Nov 2019), balance sheet standard for the last quarter ending September 30th, 2019, and a balance sheet previous year comparison as of November 27th, 2019. Bob Coleman asked what is due from general fund in current assets \$91,976.00. Joseph Beruta will review the balance sheet with our accounting firm to answer Bob's question. Jack Graham asked the question on the timing associated with the sales tax dollar deposits from the City to Brandon Anderson. Brandon responded that the dollars average as one check per month. It's just a matter of timing and processing by the City. Mayor Neal made a motion to approve the financial pending and explanation of the \$91,976.00 due from general fund. Second by Bob Coleman. The board approved the meeting minutes pending the explanation.

IV. Arena's Annual Financials & Deficit

Joseph Beruta presented the two components of document cover the arena financials, overall income statement and arena debt service schedule. Jack added that the arena made several

infrastructure investments to the facility, e.g. door locks, exterior fencing, water truck fix, sound system update, wifi/fiber, camera system, and interior lighting. Brandon Anderson, City Manager explained the details of the expenses that equated to ~\$98,000 to support the facility and maintenance. Brandon explained the complete changeover in staffing and resources at the arena. Given the transition, these investments made sense in 2019 and set-up the arena facility and staff to move forward to operate the arena more efficiently. Brandon mentioned Joe Bob Whitaker would take the open position supporting Toni Elliott as the arena's operations resource. No events have been lost during this transition and the arena has booked through June 2020. Bob Coleman asked about the debt service item on the arena's income statement for ~\$38k. Brandon Anderson said that is how the City handles capital expenditures with a 3-year note for an arena tracker and side-by-side gator related to repaying the note on those expenses. Mayor Neal mentioned that if you remove the capital investments on the facilities, the deficit is greatly reduced. Jack Graham also spoke about the payroll also having positives with open positions. He really wants to see a full year cycle to better understand the arena operations and booking improvements. Bob Coleman would like to see comparisons to prior years or quarters to understand if we are getting better or worse. Jack asked if there are any other questions related to the arena financials. Joseph Beruta asked for a motion to approve. Bob Coleman made a motion. Jack approved the motion. Second by Alex Heartfield. The board approved the motion.

V. BarZ Mobile Application

Joseph Beruta explained the BarZ developer and mobile application for the City, Chamber of Commerce/CVB, and Economic Development. The groups are partnering to bring a community portal for updates, events, notification to the community and visitors alike to use this mobile app to engage with the Graham community. It will allow us to do coupons, a loyalty program, and sell digital ads for business to have access to these mobile customers. The City, Chamber/CVB, & GEIC/Economic Development are partnering on the costs. The GEIC will pay a 1-time fee of \$995. Brandon Anderson, City Manager spoke about the Slice of Orange, Orange County, Texas was currently using the Bar Z platform and spoke about the features, advantages, & benefits. He also mentioned that Bar Z offers a full-service platform that would have BarZ sell ads on our behalf that really was not the model that worked for our cross-functional team. We wanted the Chamber and our local folks engaging on advertising opportunities via this mobile app. Brandon emphasized that if we are not successful or unsatisfied with the mobile app, we are not obligated beyond the one year contract. Bob Coleman emphasized that we ensure contractually that we have all rights to our web site and all derived content. Mayor Neal Blanton asked if this would replace the search engine results for grahamtexas.net. Joseph Beruta mentioned that both would come up in search engine results, help increase our organic search results for Graham, Texas, and provide the option of downloading the mobile app or going directly to grahamtexas.net. There was a motion to approve by Bob Coleman. Second by Mayor Neal Blanton. Board approved the initiative.

VI. Texas Recreation – Relocation & Consolidation

Joseph Beruta discussed meeting with Matt Iles regarding the pending move of Texas Recreation to consolidate its operations and offices in the Graham facility starting in January 2020. Texas Rec has a 2-3 year plan to move the equipment, personnel and sell the facilities in Wichita Falls. Mayor Neal Blanton asked at what point will they sell the facilities up in Wichita Falls? Chris Holland mentioned it is already for sale. Matt is discussing the opportunity with interested parties. Texas Rec will be bringing down four lines to the Graham facility. It was expressed that Matt Iles

had concerns regarding the relocation of the hourly FTEs making a lower wage and the availability of housing between \$50k and \$120k for those hourly workers to relocate into the area. There were two items to consider, *transportation* regarding those FTEs (full-time employees) commuting from Wichita Falls during the transition and *the how* in approach for lower cost housing for those hourly employees to make a move into the Graham Community.

Brandon Anderson, City Manager presented an opportunity with a builder for townhome housing development and some lots that were purchased by another investor and developer. He expressed other developers looking at developments on the outskirts of the City as well.

Brandon Anderson, Joseph Beruta, & Jack Graham will evaluate options for housing as a recommendation for the next board meeting. Mayor Neal Blanton expressed the need to look at transportation as initial support for Texas Rec employees coming from Wichita Falls. Chris Holland mentioned that 30-40 people will be coming down to the Graham facility during the transition period.

VII. 2020 Young County Job Fair/Hiring Event

Joseph Beruta presented the job fair hiring event at the Young County Arena. The event is a partnership between GEIC/Economic Development, Texas Veterans Commission, North Texas Workforce Solutions, & NCTC. Theme is New Year, New You, New Job. It's an event that is more about upgrading or upskilling than just unemployed, job seekers. Beruta expressed that they want to do a gamification raffle to improve job seeker-employer engagement that would include 3 raffle prizes and funds for marketing the event in the community. The GEIC board request was for ~\$2,100 to support the event marketing, creative services & raffle for this 1st annual hiring event. Beruta asked for a motion to approve. Bob Coleman made a motion. Chris Holland made a second. The board approved the proposed job fair expense.

VIII. Holiday Shopping Spree

Joseph Beruta mentioned that the Holiday Shopping Spree kicked off on Friday, November 29th at Jailhouse boutique. There were two \$1,000 raffle winners at that time. Our GEIC funds help to fund those rewards in Chamber Bucks currency. Beruta discussed how for every \$1 used locally through those Chamber bucks \$0.67 stays in the local community.

IX. Helen Farabee Center/Spotsee

Joseph Beruta discussed the review of the Helen Farabee Center lease regarding major/minor repair definitions and landlord/leasee responsibilities. Stan Peavy, Peavy Law reviewed and gave Beruta an opinion regarding revamping the lease to make it clearer. Ultimately, it was recommended not to disrupt the relationship and change the lease to represent new language on major/minor repairs. Beruta reviewed two scenarios on the A/C unit and parking lot regarding some recent examples with the Board of Directors.

Joseph Beruta discussed the Spotsee meeting with CEO Tony Fonk regarding the Spotsee/GEIC relationship. He reviewed the Spotsee tour with Jack Graham - GEIC President, Brandon Anderson - City Manager, and Tony Fonk - Spotsee CEO. He discussed the Spotsee press release that was done in April regarding moving two product lines from the UK and Minnesota to Graham, TX and the overall job growth. The article wasn't picked up by the media. We wanted to get this out into the community and worked with the Graham Leader to review what was

originally a job retention effort that move to a job growth opportunity. The facility was discussed regarding the building needs and the 2nd floor. What could we do with the additional 2nd floor space? Day offices like WeWork was suggested by members of the board.

X. Other Business

Jack Graham presented an opportunity to purchase the Graham ISD land on Hwy380 near the arena. He asked the GEIC board to purchase the land for a potential gas station/travel center.

Jack Graham discussed the GIA's 4th Street project regarding the Voltage Coffee Project and their interest in Graham for a potential investment in our downtown square. Joseph Beruta gave the background on the business, brand, and operations along with the relationship to the community and current opportunities.

Adjournment