

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
BORGER ECONOMIC DEVELOPMENT CORPORATION
A TEXAS INDUSTRIAL DEVELOPMENT CORPORATION**

Time and Place

The following are the minutes of the Board of Directors of the BORGER ECONOMIC DEVELOPMENT CORPORATION, a Texas industrial development corporation organized under Section 4A of the Development Corporation Act of 1979, 300 West Sixth Street., Borger, Texas on May 10, 2011 at said meeting having been held on the call of the incorporators.

1. Present at the meeting was NORM SARGENT, LEON ROBERTS, ROBERTA MONDEN, MIKE SCALES and JUD PRICE are the persons named as Directors of the Corporation.

Also present was:

Dan Redd, CEO Borger EDC
Emily Sargent, Borger EDC
Alan Jones, Fuzzy's Radiator

Norm Sargent called the meeting to order at 11:59 P. M.

Approve Minutes of April Meeting / Norm Sargent

2. Norm Sargent asked the Board members to look over the minutes to see if there were any changes or corrections.

The motion was made by Leon Roberts to approve the minutes. The motion was seconded by Roberta Monden and carried unanimously.

Financial Statements for April / Dan Redd

3. Dan Redd told Board members that as of May 10th the Operating Account has \$193,149.87, Money Market has \$108,220.95 and Petty Cash has \$211.36. The total for those three accounts is \$282,588.80. The CD's at Borger InterBank have \$179,579.52 and the second one has \$104,122.55; Wells Fargo \$201,939.44 and Happy State Bank \$303,895.42 and Borger Bank \$150,000. The total for the CD's is \$939,536.93. The TexPool account is \$7,283.98. Sales tax for the month of April was \$57,664.19 and -6.84 percent decrease over the same period last year.

Roberta Monden asked what Outside Contract Service is and Dan told her it was Entrepreneur Alliance, OnTime Technology and WEDA. Dan told the Board that he is already working on the new budget for 2011 - 2012. He is allowing money for the Huber building, Industrial Blvd. building and Penn Avenue building. Dan told the Board that the Industrial Blvd. building would be a triple net, Mike Scales asked if he planned to put money in the budget for that building.

Norm Sargent asked about the cost of the breakfast, Emily Sargent told him it was \$852.14 and there were 85 in attendance. He asked if we had any feedback from the breakfast and Spencer McElhannon told him that he had heard from several people about how they enjoyed it.

The motion was made by Roberta Monden to approve the financials. The motion was seconded by Leon Roberts and carried unanimously.

Baker Tank Lease / Dan Redd

4. Dan said he had received a call from Bobby Reyes, asking if everything was still on track for them to move into the Industrial Blvd. building. Dan told Bobby that the board would be discussing the Baker lease today.

The motion was made by Jud Price to approve the lease. The motion was seconded by Leon Roberts and carried unanimously.

Executive Session

5. **Executive Session** – Pursuant of Vernon’s Texas Codes Annotated, Government Code, Title Chapter 552, Section 551.071 (legal), Section 551.072 (property), Section 551.074 (personnel), Section 551.086 (negotiations) the Board entered into executive session at 12:36 P.M.

A. Alan Jones - Fuzzy's Radiator Project

Return to Open Session / Norm Sargent

6. The Borger Economic Development Corporation Board completed the Executive Session at 1:05 P.M. No action was taken on any of this item.

Fuzzy's Radiator Incentive Agreement / Norm Sargent

7. Leon Roberts made the motion to add and Addendum to the original Incentive Agreement with Alan Jones/Fuzzy's Radiator that we have a base employee count of 57 and up to 107 employees by the end of 2015. At anytime on the yearly renewal, if he has less than a net profit of less than \$500,000 the Borger EDC can renegotiate the claw back provisions in the present Incentive Agreement.

All other applicable terms are still enforce. The motion was seconded by Roberta Monden and carried unanimously.

Adjourned

8. Norm Sargent asked for a motion to Adjourn. The motion was made by Leon Roberts. The motion was seconded by Roberta Monden and carried unanimously. Meeting was adjourned at 1:20 P.M.

President: _____
Norm Sargent

Secretary: _____
Roberta Monden