

PAMPA ECONOMIC DEVELOPMENT CORPORATION
Board of Directors Special Called Meeting
Minutes from
July 11, 2018

PRESENT: Gary Sutherland, Glennette Goode, Bob Williams, Bill Roy, Ken May
And Cay Warner

ABSENT: Bill Bridges

ALSO PRESENT: Clay Rice, Vanessa Buzzard, Spencer McElhannon, Jimmy Gowdy, Lewis
Meers, Shane Stokes and Treasa Heuston

CALL TO ORDER: President Sutherland called the meeting to order at 5:31 p.m.

Board Member Glennette Goode opened the meeting with prayer.

Citizens Forum

There were no public comments during the meeting.

Presentation by Jimmy Gowdy – Country II, Inc.

Mr. Gowdy presented a project to the Board of Directors for a loan for \$1,200,000.00 for the purchase of the GM/Toyota Dealership and the real estate at 805 N. Hobart. After reviewing the information, the Board Members had several questions for Mr. Gowdy about employment expansion and retaining the current number of employees. Mr. Gowdy responded within a year they would have fifty (50+) employees total. Mr. Gowdy explained their Mission Statement and how they planned on implementing it. Discussion was held about the funding for the project.

A motion was made by President Sutherland to make a loan to Country II, Inc. in the amount of \$1,200,000.00, upon the following terms:

- 1) The loan is contingent upon Country II, Inc. purchasing the real property and improvements located at 805 N. Hobart, Pampa, Texas.
- 2) The loan is contingent upon Country II, Inc. acquiring the General Motors/Toyota franchises for Pampa, Texas.
- 3) The loan is contingent upon the approval of the Economic Development Agreement between Pampa EDC and Country II, Inc. by the Pampa City Commission.
- 4) If all of the contingent conditions have been met, the Pampa EDC and Country II, Inc., shall enter into an Economic Development Agreement and promissory note with forgiveness provisions wherein the Pampa EDC shall loan Country II, Inc. the sum of \$1,200,000.00, bearing interest at the rate of 6% per annum for a term of ten years. All remaining principal and interest shall be due and payable ten years from the date of the loan. Country II, Inc. said note shall be personally guaranteed by John Johnson, Jimmy Don Gowdy, Michael Hughes and Merritt Vaughn.

Country II, Inc. shall be entitled to a credit on the loan based upon the number of retained full time employees, the base number being 26 plus additional full-time employees of Country II, Inc. In the event that Country II, Inc. employed fewer than 26 employees during years 1 or 2, Country II, Inc. shall not be entitled to a credit for retained employees. During years 2-10, County II, Inc. must employ more than 26 full time employees to be eligible for credit on the loan. The credit on the loan shall be calculated as follows:

Credit for retained employees (at least 26 initial retained employees)

End of year 1: $26 \times \$3,000.00 = \$78,000.00$

End of year 2: $26 \times \$3,000.00 = \$78,000.00$

Credit for full-time employees (greater than 26 employees):

End of year 2, 3 & 4: number of additional full-time employees x \$5,000.00

End of year 5, 6 & 7: number of additional full-time employees x \$4,000.00

End of year 8, 9 & 10: number of additional full-time employees x \$3,000.00

Board Member May seconded, with each board Member voting AYE the motion carried.

Executive Session

The Board of Directors did not go into Executive Session.

Date and Time of Next Meeting

The next scheduled meeting for the Pampa EDC will be July 19, 2018 at 4:00 p.m. at 107 E. Foster, Pampa, Texas.

Adjournment

With no further business on the agenda Board Member May made a motion to adjourn at 8:40 p.m., Board Member Williams seconded, with each Board Member voting AYE the motion carried.

Gary Sutherland, President

Debbie Winegeart, Admin. Assistant