

**REGULAR MEETING OF THE CITY OF RED OAK  
ECONOMIC DEVELOPMENT CORPORATION  
THURSDAY, JULY 23, 2020 – 7:00 PM  
200 LAKEVIEW PARKWAY  
RED OAK, TEXAS 75154**

**MINUTES**

**I. CALL TO ORDER**

President Hugley called the meeting to order at 7:05 p.m. He confirmed that a quorum was present with a roll call of the board, and he announced that notices were legally posted pursuant to the Open Meetings Act and in accordance with an Order of the Office of the Governor issued March 16, 2020, and as amended on April 2, 2020. The Economic Development Corporation for the City of Red Oak, Texas, will conduct the special meeting by telephone conference to advance the public health goal of limiting face-to-face meetings (also called “social distancing”) in an effort to slow the spread of the Coronavirus (COVID-19). This is an open meeting conducted by telephone conference, however, there will be no public access to the physical location.

**Roll Call Attendance** *(via teleconference)*

**Board Members Present:**

Alan Hugley, President - Aye  
Tim Lightfoot, Vice President - Aye  
Jack Edwards, Member – Aye  
Russell McCrady, Member – Aye  
Daniel Zimmerman, Member – Aye

**Staff Present:**

Mark L. Stanfill, Mayor  
Todd Fuller, City Manager  
Jonathan Phillips, Asst City Manager  
Lee McCleary, Economic Dev Dir  
John Binford, IT Director  
Chase Jenkins, IT App Specialist

**Board Members Absent:**

Greg Bennett, Member  
Steve Miller, Member

**II. NEW BUSINESS**

- A. Consider approving the minutes of the Special Meetings held on February 25, 2020, and on April 7, 2020, of the Red Oak Economic Development Corporation (ROEDC).

**President Hugley read Agenda Item A into the record.**

**Vice President Lightfoot made the motion, seconded by Member Edwards, to approve the minutes as read. The motion carried unanimously.**

**Roll Call Vote:** Jack Edwards – Aye  
Alan Hugley – Aye  
Tim Lightfoot – Aye  
Russell McCrady – Aye  
Daniel Zimmerman – Aye

- B. Conduct a Public Hearing and consider adopting Resolution No. 20-002R approving the proposed Red Oak Economic Development Corporation (ROEDC) Budget for FY 2020-2021.

**President Hugley read Agenda Item B into the record. City Manager Fuller spoke and gave a detailed explanation of this agenda item. Assistant City Manager Phillips also spoke and gave a detailed explanation of this agenda item.**

**President Hugley opened the Public Hearing at 7:16 p.m. No one spoke**

**Vice President Lightfoot made the motion, seconded by Member Edwards, to close the Public Hearing at 7:16 p.m. The motion carried unanimously.**

**Roll Call Vote:** Jack Edwards – Aye  
Alan Hugley – Aye  
Tim Lightfoot – Aye  
Russell McCrady – Aye  
Daniel Zimmerman – Aye

**City Manager Fuller made the following motion:**

**Motion to approve Resolution No. 20-002R, Version 1 of the Red Oak Economic Development Corporation [Budget] on the condition that under Capital / Incentive Development, the entire \$4,727,673 goes into incentive development and leaving zero in Capital Expenditures, Land and Building.**

**Member McCrady moved the motion, seconded by Vice President Lightfoot. The motion carried unanimously.**

**Roll Call Vote:** Jack Edwards – Aye  
Alan Hugley – Aye  
Tim Lightfoot – Aye  
Russell McCrady – Aye  
Daniel Zimmerman – Aye

- C. Conduct a Public Hearing and consider approving an Administrative Services Agreement with the City of Red Oak to provide administrative services to the Red Oak Economic Development Corporation (ROEDC) for FY 2020–2021.

**President Hugley read Agenda Item C into the record. City Manager Fuller spoke and gave a brief explanation of this agenda item.**

**President Hugley opened the Public Hearing at 7:21 p.m. No one spoke**

**Member McCrady made the motion, seconded by Vice President Lightfoot, to close the Public Hearing at 7:21 p.m. The motion carried unanimously.**

**Roll Call Vote:** Jack Edwards – Aye  
Alan Hugley – Aye  
Tim Lightfoot – Aye  
Russell McCrady – Aye  
Daniel Zimmerman – Aye

**President Hugley made the motion to approve the Administrative Services Agreement as proposed.**

**Vice President Lightfoot moved the motion, seconded by Member Edwards. The motion carried unanimously.**

**Roll Call Vote:** Jack Edwards – Aye  
Alan Hugley – Aye  
Tim Lightfoot – Aye  
Russell McCrady – Aye  
Daniel Zimmerman – Aye

### **III. EXECUTIVE SESSION**

Texas Government Code, Section 551.071: As authorized by Chapter 551 of the Texas Government Code, the City of Red Oak Economic Development Corporation ("ROEDC") reserves the right to adjourn into Executive Session at any time during the course of this meeting to seek legal advice from the City/Corporate Attorney about any matters listed on the agenda and to discuss and deliberate an offer of a financial or incentive for a business prospect.

**A. Pursuant to Texas Government Code, Section §551.087 – Deliberations Regarding Economic Development Negotiations.**

1. Discuss or deliberate regarding commercial or financial information from a business prospect that seeks to locate, stay or expand in the City of Red Oak.
2. Discuss or deliberate an offer, if any, with such business prospect.

**B. Pursuant to Texas Government Code, Section §551.072 – Deliberations Regarding the Purchase, Exchange, Lease, or Value of Real Property.**

3. Discuss or deliberate acquisition, sale and/or exchange of Real Properties generally located east of I-35E, west of Methodist Street, south of the Ellis County line, north of Red Oak Road, Red Oak, Texas.
4. Discuss or deliberate acquisition, sale and/or exchange of Real Properties generally located east of Uhl Road, west of I-35E, south of FM 664/Ovilla Road, and north of the Stephenson Road, Red Oak, Texas.

**President Hugley opened the board into Executive Session at 7:23 p.m. He invited Todd Fuller and Lee McCleary and members of the Economic Development Corporation into Executive Session. (via teleconference)**

**III. RECONVENE INTO REGULAR SESSION, Consider action resulting from Executive Session, if any.**

**President Hugley reconvened the EDC Board into Open Session at 7:53 p.m. Action was taken.**

**IV. NEW BUSINESS**

- D. Conduct a Public Hearing and consider Resolution No. 20-003R approving a Sales Tax Rebate with Compass Datacenters DFW III, LLC ("Compass") equivalent to thirty-five percent (35%) of the one-half (1/2) cent local sales tax revenue for construction materials, other tangible personal property, supplies, and taxable services used or consumed at the Compass property that are not otherwise exempt from Texas sales and use tax; authorizing the President of the Red Oak Economic Development Corporation (ROEDC) to execute the documents after approval by the City Attorney.**

**President Hugley read Agenda Item D into the record. City Manager Fuller spoke and gave a brief explanation of this agenda item.**

**President Hugley opened the public hearing at 7:55 p.m. No one spoke.**

**Vice President Lightfoot moved the motion, seconded by Member Edwards, to close the public hearing at 7:56 p.m. The motion carried unanimously.**

**Roll Call Vote:** Jack Edwards – Aye  
Alan Hugley – Aye  
Tim Lightfoot – Aye  
Russell McCrady – Aye  
Daniel Zimmerman – Aye

**President Hugley made the motion to adopt Resolution No. 20-003R as presented.**

**Vice President Lightfoot moved the motion, seconded by Member Edwards. The motion carried unanimously.**

**Roll Call Vote:** Jack Edwards – Aye  
Alan Hugley – Aye  
Tim Lightfoot – Aye  
Russell McCrady – Aye  
Daniel Zimmerman – Aye

- E. Conduct a Public Hearing and consider approving an expenditure of \$27,000 for ROEDC/Catalyst Commercial Inc. Professional Services Agreement for period of June 1, 2020 to May 31, 2021.

**President Hugley read Agenda Item E into the record. City Manager Fuller spoke and gave a brief explanation of this agenda item.**

**President Hugley opened the public hearing at 7:59 p.m. No one spoke.**

**Member McCrady moved the motion, seconded by Vice President Lightfoot, to close the public hearing at 8:00 p.m. The motion was unanimous.**

**Roll Call Vote:** Jack Edwards – Aye  
Alan Hugley – Aye  
Tim Lightfoot – Aye  
Russell McCrady – Aye  
Daniel Zimmerman – Aye

**President Hugley made the motion to approve an expenditure of \$27,000 for the ROEDC/Catalyst Commercial, Inc. Professional Services Agreement for June 1, 2020 through May 31, 2021.**

**Member Edwards moved the motion, seconded by Vice President Lightfoot. The motion carried unanimously.**

**Roll Call Vote:** Jack Edwards – Aye  
Alan Hugley – Aye  
Tim Lightfoot – Aye  
Russell McCrady – Aye  
Daniel Zimmerman – Aye

- F. Consider adoption of Resolution No. 20-004R approving the revised terms and conditions of the Economic Development Agreement by and between the Red Oak Economic Development Corporation (ROEDC) and DMJ Properties, LTD., and Victron Stores, L.P., in which the ROEDC approves certain economic development projects and expenditures of necessary funds for costs related to the construction of the Public Infrastructure Improvements for said projects in an amount not to exceed \$2,447,136; and, authorize its President to execute same.

**President Hugley tabled this agenda item.**

- G. Consider adoption of Resolution No. 20-005R declaring certain personal property as obsolete, valueless, and surplusage; providing for disposal of the same by the City Manager or his designee; authorizing the President of the Red Oak Economic Development Corporation (ROEDC) to execute same; providing a severability clause; providing a repealing clause; and, providing an effective date.

**President Hugley read Agenda Item G into the record.**

**President Hugley made the motion to approve Resolution No. 20-005R as presented.**

**Member McCrady moved the motion, seconded by Member Zimmerman. The motion carried unanimously.**

**Roll Call Vote:** Jack Edwards – Aye  
Alan Hugley – Aye  
Tim Lightfoot – Aye  
Russell McCrady – Aye  
Daniel Zimmerman – Aye

- H. Discussion and possible action concerning adopting Resolution No. 20-006R approving the First Amendment to the Land Sale and Economic Development Agreement by and between Red Oak Economic Development Corporation (ROEDC) and JRTR Investments, LTD.

**President Hugley read Agenda Item H into the record. City Manager Fuller spoke and gave a brief explanation of this agenda item.**

**President Hugley made a motion to approve Resolution No. 20-006R as presented.**

**Member McCrady moved the motion, seconded by Member Edwards. The motion carried unanimously.**

**Roll Call Vote:** Jack Edwards – Aye  
Alan Hugley – Aye  
Tim Lightfoot – Aye  
Russell McCrady – Aye  
Daniel Zimmerman – Aye

**City Manager Fuller read and made the following motion: Motion to approve TxDOT's settlement proposal of \$18,345 for 1,224 square feet of Hickory Creek Road property and TxDOT's proposal of \$95,562 for 8,808 square feet of Right of Way on the Hilltop Trailers property at the northwest quadrant of Red Oak Road and I-35E.**

**Member Edwards moved the motion, seconded by Member Zimmerman. The motion carried unanimously.**

**Roll Call Vote:** Jack Edwards – Aye  
Alan Hugley – Aye  
Tim Lightfoot – Aye  
Russell McCrady – Aye  
Daniel Zimmerman – Aye

**City Manager Fuller spoke and noted the property regarding the next motion as the southwest corner of Ovilla Road and Hickory Creek Drive, 1.592 acres.**

**City Manager Fuller read and made the following motion: Motion to approve entering into a Letter of Intent with Red Sky Development for a purchase price of \$832,170.24 as presented which works out to \$12 per square foot.**

**Member McCrady moved the motion, seconded by Vice President Lightfoot. The motion carried unanimously.**

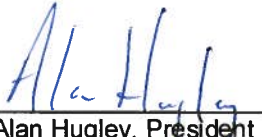
**Roll Call Vote:** Jack Edwards – Aye  
Alan Hugley – Aye  
Tim Lightfoot – Aye


Russell McCrady – Aye  
Daniel Zimmerman – Aye

**City Manager Fuller spoke briefly about the budget explaining the background on the increase in the professional fees line and what that involves.**

**IV. ADJOURNMENT**

**Member McCrady made the motion, seconded by Vice President Lightfoot, to adjourn the meeting at 8:11 p.m. The motion carried unanimously.**

Submitted by:   
Alan Hugley, President

Attested:   
Caryn Stevens,  
Executive Assistant/Deputy City Secretary