

**PAMPA ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS
SPECIAL MEETING MINUTES
August 20, 2020**

PRESENT: Glennette Goode, Troy Newton, Sue Fatheree, Ted Hutto, Tanya Larkin, Emily Arrington

ABSENT: Jason Bagwell

ALSO PRESENT: Clay Rice, Treasa Heuston, Carol McCord, Vanessa Buzzard, Spencer McElhannon, Mike Davis, John Lee, Kayleigh McCord

The Pampa EDC meeting was held Thursday, August 20, 2020, 5:00 p.m. at Pampa ISD Administration Building, 1233 N. Hobart in the Board Room.

1. President Glennette Goode called the meeting to order at 5:05 p.m.
2. Board Member Ted Hutto opened with prayer.

3. **Citizens Forum**

There were no public comments during the meeting.

4. **Public Hearing for a forgivable loan to Keystone Tower Systems**

A public hearing was held to discuss a forgivable loan in the amount of \$2,000,000.00 to Keystone Tower Systems for the manufacturing of wind generation towers.

- 1) The loan is contingent upon Keystone Tower Systems, Inc. entering into a premises lease with National Oilwell Varco to lease the manufacturing facilities at 11659 US 60, Pampa, Texas.
- 2) The loan is contingent upon the approval of the Economic Development Agreement between Pampa EDC and Keystone Tower Systems, Inc. by the Pampa City Commission and the County Commission of Gray County, Texas.
- 3) If all of the contingent conditions have been met, the Pampa EDC and Keystone Tower Systems, Inc., shall enter into an Economic Development Agreement and promissory note with forgiveness provisions wherein the Pampa EDC shall loan Keystone Tower Systems, Inc. the sum of \$2,000,000.00, payable as follows:
 - (a) Upon the later of entering into a premises lease with National Oilwell Varco or upon 60 days after the date of publication of the project in the Pampa News and approval of the project by the City Commission of Pampa, Texas and the County Commission of Gray County, Texas, an initial distribution of \$1,500,000.00 shall be payable in increments of a minimum of \$250,000.00 based upon invoices provided for monies spent directly at the Pampa facility.
 - (b) An additional sum of \$500,000.00 shall be payable to Keystone Tower Systems, Inc. at the addition of the 100th active full-time employee by the company at the Pampa, Texas manufacturing facility.
 - (c) Said note shall be secured by a spiral mill for the manufacturing of wind generation towers.

- (d) The promissory note shall bear interest at the rate the lesser of Libor + 1% or Prime + 1%, to be determined on the date the Economic Development Agreement is executed. Interest shall begin accruing on January 1, 2024. The loan shall be repaid in the following installments:
- (i) 1/3 of the remaining principal, plus accrued interest, shall be due and payable on January 15, 2025
 - (ii) 1/2 of the remaining principal, plus accrued interest, shall be due and payable on January 15, 2026
 - (iii) The balance of the remaining principal, plus accrued interest shall be due and payable on January 15, 2027.
- (e) On December 31, 2021, Keystone Tower Systems, Inc. shall be entitled to a grant in the form of a credit on the loan in the amount of \$3,500.00 for each full-time employee.
- (f) On December 31, 2022, December 31, 2023, December 31, 2024, December 31, 2025 and December 31, 2026, Keystone Tower Systems, Inc. shall be entitled to a grant in the form of a credit on the loan based upon the number of full time equivalent employees (2080 hours) employed at the Pampa facility on those dates x \$3,500.00. Keystone Tower Systems, Inc. shall be entitled to a grant in the amount of \$3,500.00 for each full time salaried employee that has been employed at the Pampa facility for a full year or 40 hours weekly if less than a full year at the Pampa facility.
- 4) The loan is contingent upon funding of \$1,500,000.00 on or before December 31, 2021. The loan is further contingent upon funding of the remaining \$500,000.00 on or before December 31, 2022.
- 5) The Pampa Economic Development Corporation will furnish Keystone Tower Systems, Inc., a letter of credit from AIM Bank, Pampa, Texas.

5. **Executive Session**

The Board of Directors did not go into Executive Session.

6. **Adjournment**

With no further business on the agenda Board Member Ted Hutto made a motion to adjourn at 5:12 p.m., Board Member Ted Hutto seconded, with each Board Member Voting AYE the motion carried.

Glennette Goode

President

Treasa Heuston

Office Administrator

