

**PAMPA ECONOMIC DEVELOPMENT CORPORATION  
BOARD OF DIRECTORS  
MINUTES  
JUNE 25, 2020**

PRESENT: Glennette Goode, Emily Arrington, Jason Bagwell, Sue Fatheree, Ted Hutto, Tanya Larkin

ABSENT: Troy Newton

ALSO PRESENT: Clay Rice, Treasa Heuston, Carol McCord, Vanessa Buzzard, and Spencer McElhannon, David Dickerson, Mike Davis, Kevin Hunt, Dustin Felderhoff, Leah Custine and Rodrigo Marquez

The Pampa EDC meeting was held Thursday, June 25, 2020, 4:00 p.m. at Pampa ISD Administration Building, 1233 N. Hobart in the Board Room.

1. President Glennette Goode called the meeting to order at 4:09 p.m.

2. Board Member Sue Fatheree opened with prayer.

3. **Minutes**

**A motion was made by Board Member Sue Fatheree to approve the June 12, 2020 minutes, Board Member Tanya Larkin seconded, with each Board Member voting AYE, the motion carried.**

4. **Citizens Forum**

There were no public comments during the meeting.

5. **Dean of Clarendon College**

Dr. Mike Davis, Dean of Clarendon College was introduced to the Pampa EDC Board Members and visitors by Director Clay Rice.

6. **Presentation - CJ Frazier – Pampa EDC Website Upgrade**

CJ Frazier and Jeff Mullins of PHENYX Media & Production Company explained the options for the Board Members in improving and updating the Pampa EDC website. Several Board Members had questions about what the updates would be and agreed the answers were informative and positive. Mr. Mullins stated that a proposal would be offered to the Pampa EDC office by 5:00 p.m., June 26, 2020.

7. **Las Pampa Square LLC. – Discussion of Board Members**

President Glennette Goode opened a discussion on approving another member for the Board of Las Pampas Square. Jason Bagwell was suggested because of his knowledge and experience in real estate.

**A motion was made by Board Member Ted Hutto to approve Jason Bagwell as a Board Member for the Las Pampas Square LLC., Board, Board Member Emily Arrington seconded, with each Board Member voting AYE, the motion carried.**

8. **Keystone**

Dustin Felderhoff, Senior Industrial Engineer, Leah Custine, Director, Engineering Operations, and Rodrigo Marques, Senior Manager of Manufacturing were present and discussed the plans for Keystone Tower Systems and Pampa. Keystone is in contract negotiations with National Oilwell Varco to build on their site west of Pampa. Several Board Members had questions for the panel on anticipated employment count, manufacturing

startup and level of employment salaries. Board Member Ted Hutto reminded the board that this project is a Research and Development project, not an ongoing business, so there is more risk to this project than most projects the board approves. He then stated that this project would be very valuable to Pampa

Vanessa Buzzard, legal counsel for the Pampa EDC explained that the project funding would be contingent on the site contract with National Oilwell Varco

**A motion was made by Ted Hutto to make a forgivable loan/grant to Keystone Tower Systems, Inc. in the amount of \$2,000,000.00, upon the following terms:**

- 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) The loan is contingent upon funding on or before June 25, 2021.**
- 4) 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: an initial distribution of \$1,500,000.00 shall be payable 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 additional sum of \$500,000.00 shall be payable to Keystone Tower Systems, Inc. when the company has hired 100 full-time employees at the Pampa, Texas manufacturing facility. Said note shall be secured by a spiral mill for the manufacturing of wind generation towers.**

**The promissory note shall bear interest at the rate of prime plus 1%, beginning on August 31, 2023. All remaining principal and interest shall be due and payable on August 31, 2026. Said note shall be personally guaranteed by Eric Daniel Smith.**

**On August 31, 2024, August 31, 2025 and August 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 employees (2080 hours) employed at the Pampa facility on those dates x \$3,923.00.**

**Board Member Jason Bagwell seconded, with each board Member voting AYE the motion carried.**

#### **9. Report from Clay Rice, Executive Director**

##### **Calendar/Report**

- The COVID 19 Disaster Relief Grants were promoted to the community by the following communication.
  - Ad in the Pampa News
  - Daily ads on KGRO/KOMX
  - Pampa Chamber of Commerce Facebook
  - Pampa Chamber of Commerce sent email to members

- City of Pampa Facebook page and YouTube
- Pampa EDC Website
- Pampa EDC COVID-19 Disaster Relief Grants were mailed out Monday, June 15, 2020. The response has been primarily positive with 4 contact “Thank You’s”.
- Executive Director Clay Rice toured the Keystone Tower Systems manufacturing facility in Denver Colorado on June 23, 2020 with LeNore Kerber and Eric Smith
- The Pampa EDC office will be close July 3, 2020 for the holiday of 4<sup>th</sup> of July.
- High Ground of Texas Roundtable meeting in Borger, July 30, 2020

**10. PEC Report or Discussion**

Next meeting July 14, 2020, 5:00 at the Pampa EDC office.

**11. LPS Report or Discussion**

Next meeting July 14, 2020, 5:00 at the Pampa EDC office.

**12. Treasurer Sue Fatheree Financial Reports**

Board Member Sue Fatheree reported the need to meet with AimBank about getting a lower rate of interest.

**13. Executive Session**

The Board of Directors did not go into Executive Session.

**14. Adjournment**

**With no further business on the agenda Board Member Jason Bagwell made a motion to adjourn at 6:02 p.m., Board Member Emily Arrington seconded, with each Board Member Voting AYE the motion carried.**

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Glennette Goode, President

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Treaea Heuston, Administrative Assistant