

SPECIAL SESSION

JULY 8, 2015

The City Council of the City of Athens met in Special Session on Wednesday, July 8, 2015, 5:30 p.m. in the Council Chambers of the City Hall Annex with the following members present, to-wit:

Jerry D. Vaught, Mayor  
Monte Montgomery, Mayor Pro-Tem  
Charles Elliott  
Joe Whatley  
Tres Winn

Philip Rodriguez, City Administrator  
Bonnie Hambrick, City Secretary

others present: David Hopkins, Gordon Mayer, Gary Crecelius, Buddy Hill, John McQueary, Haven Cox, Sherri Skeeters, Sheila Garrett, Rich Flowers, Michael Hannigan, Lisa Denton, Jess Laird, and other interested citizens;

constituting a quorum at which time the following proceedings were enacted, to-wit:

The invocation was given by Councilmember Montgomery.

DECLARATION OF CONFLICT OF INTEREST

No action was taken

CITY ADMINISTRATOR'S UPDATE

City Administrator Philip Rodriguez introduced Mr. Gordon Mayer as the Interim Director of Public Works. Mr. Mayer explained he has worked with three (3) state agencies and six (6) Texas Cities, and he hopes to move the City forward and ready for a permanent hire. Mr. Mayer stated he was happy to be here.

Mr. Rodriguez reminded the community of the Budget Input Boxes placed throughout the City and the on-line survey are available through July 16, 2015. He stated the community is invited to be a part of the budget process by giving suggestions on how to use their funds.

Mr. Rodriguez also reminded the Council and audience of the Community Budget Forum set for July 15, 2015 for the public to come out in person to suggest new revenues, and new ways to expend funds. He stated the forums are intended to get the citizens involved in the budget process.

EXECUTIVE SESSION

- A) PURSUANT TO THE TEXAS GOVERNMENT CODE, SECTION 551.072 (DELIBERATION REGARDING PROPERTY, POSSIBLE LEASE OF REAL PROPERTY LOCATED AT 1702/1704 ENTERPRISE ST)
  - B) PURSUANT TO THE TEXAS GOVERNMENT CODE, SECTION 551.072 (DELIBERATION REGARDING THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY - OLD HENDERSON COUNTY HOSPITAL)
  - C) PURSUANT TO THE TEXAS GOVERNMENT CODE, SECTION 551.074 (PERSONNEL MATTERS) TO DELIBERATE ON THE CITY ADMINISTRATOR'S EMPLOYMENT AGREEMENT
- EXECUTIVE SESSION

The City Council adjourned to Executive Session at 5:35 p.m.

The City Council returned to Special Session at 6:01 p.m.

DISCUSS/CONSIDER ACTION RESULTING FROM DELIBERATIONS IN  
EXECUTIVE SESSION

A) 1702/1704 ENTERPRISE ST.

The City Council recessed from Executive Session for this item.

B) OLD HENDERSON COUNTY HOSPITAL

No action taken.

C) PERSONNEL MATTERS REGARDING THE CITY ADMINISTRATOR'S  
EMPLOYMENT AGREEMENT

A motion was made by Councilmember Winn, seconded by Councilmember Whatley to amend Section 4.6 Accountable Plan Expenses of the City Administrator's Employment agreement for moving expenses that were to be paid out on September 1, 2015 to be paid out on July 15, 2015. The motion carried unanimously.

DISCUSS/CONSIDER APPROVAL OF AGREEMENTS BETWEEN ATHENS  
ECONOMIC DEVELOPMENT CORPORATION AND BIOTECH  
MANUFACTURING CENTER (BMC)

Jess Laird, Athens Economic Development Corporation, Board President explained that Biotech Manufacturing Center (BMC) ceased operations last month, and they had two (2) options, one is to file bankruptcy, and the other was to have an orderly liquidation of the equipment to try to pay their creditors. Mr. Laird stated that the liquidation is the best solution for Athens, as it will help more of the creditors to get paid.

Councilmember Elliott asked who would liquidate the equipment with Mr. Laird responding BMC would liquidate the equipment.

Mr. Laird stated that the main thing that we want to get is a termination of their existing lease before they file for bankruptcy as this would allow AEDC to be in control of the building, and it can be leased to West Pharmaceuticals which is cohabiting with BMC.

Mr. Laird stated that Biotech has obligations in the \$300,000 range, and Biotech officials believe they can sell the equipment at the facility to cover those debts, and AEDC is expected to charge off the \$1,059,000 Biotech note, and receive \$50,000 after the property is liquidated, and if any money is made from the sale of the equipment it would go to AEDC.

Councilmember Elliott stated he didn't believe AEDC would ever get the money if they liquidated it, stating BMC has certainly made some errors, and certainly made some omissions. Mr. Laird replied that he was not aware of anything that would qualify as an error or an omission. Mr. Laird stated that the business simply did not succeed.

Councilmember Whatley stated the liquidation was making the best of a bad situation.

Mayor Vaught commended Mr. Laird and the current AEDC Board for taking the initiative to find a solution to the problem.

After much discussion a motion was made by Mayor Vaught, seconded by Councilmember Montgomery to approve Memorandum of Understanding (MOU) and Lease agreement between Athens Economic Development Corporation and Biotech Manufacturing Center (BMC). The motion carried by the following vote: Ayes: Mayor Vaught, Councilmember Montgomery, Councilmember Whatley, & Councilmember Winn. Nays: Councilmember Elliott.

OPPORTUNITY FOR CITIZENS TO EXPRESS ITEMS OF CONCERN  
RELATING TO THE CITY OF ATHENS

There was no discussion.

EXECUTIVE SESSION

- A) PURSUANT TO THE TEXAS GOVERNMENT CODE, SECTION 551.072  
(DELIBERATION REGARDING PROPERTY, POSSIBLE LEASE OF  
REAL PROPERTY LOCATED AT 1702/1704 ENTERPRISE ST)

The City Council adjourned to Executive Session at 6:38 p.m.

The City Council returned to Special Session at 6:55 p.m.

DISCUSS/CONSIDER ACTION RESULTING FROM DELIBERATIONS IN  
EXECUTIVE SESSION

- A) 1702/1704 ENTERPRISE ST.

No action was taken.

MAYOR AND COUNCIL UPDATE

There was no update.

ADJOURN

The meeting was adjourned.

PASSED AND APPROVED THIS THE 27<sup>th</sup> DAY OF JULY, 2015.

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Jerry D. Vaught, Mayor

ATTEST:

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Bonnie Hambrick, City Secretary