

The Industrial Development Board of the City of Millington, Tennessee
7965 Veterans Parkway, Suite 101
Millington, Tennessee 38053
Minutes of Regular Board Meeting
December 13, 2024

The following Board Members participated:

Cary E. Vaughn
John Perales
Jack Langford
James Blackwell
Jim Warberg
Rod Loggins

Also participating:

Jon Crisp
Deanna Grigsby
Frankie Dakin
Don Lowry
Larry Dagen
Tricia Adrian
Mike Gill
Charlie Reed
Jared Darby
Thomas McGhee

1. **Determine Quorum** – Chairman Cary Vaughn opened the meeting at 8:00 a.m. on December 13, 2024. The Board had a moment of silence. Then, the Board and all guests recited the Pledge of Allegiance. After determining a quorum, the MIDB meeting was called to order.
2. **Public Comment Period** – There was one public comment. Executive Director of the Millington Airport Authority, Mike Gill, requested that the Board consider extending the lease between the IDB and the MAA during the Other Business section of the agenda.
3. **Consideration of Minutes from the November 8, 2024 Regular Board Meeting** – Chairman Vaughn introduced the topic and asked if there were any proposed changes to the minutes. There was one. Secretary and Treasurer Jack Langford requested that the minutes be changed to reflect that the meeting with City Manager Dakin and Executive Director Mike Gill regarding the land transfer issues on November 12th, 2024 did not happen as scheduled. This change was acknowledged and will be made to the minutes for November 8, 2024. Director James Blackwell made a motion to approve the minutes of the November 8, 2024 regular Board meeting including the requested change. Vice Chairman John Perales made a second to the motion. Cary Vaughn, John Perales, Jack Langford, James Blackwell, and Rod Loggins voted aye. Jim Warberg was not present for the vote. Motion carried.
4. **Consideration of the Financial Statements for November 2024** – Chairman Cary Vaughn introduced the topic. Secretary and Treasurer Jack Langford gave a summary of the financial statements for November 2024. Chairman Vaughn asked if there were any questions or comments on the financials. There were none. John Perales made a motion to approve the financial statements for November 2024. Rod Loggins made a second to the motion. Cary Vaughn, John Perales, Jack Langford, James Blackwell, Jim Warberg and Rod Loggins voted aye. Jim Warberg was not present for the vote. Motion carried.
5. **9 Acres North of Courthouse**
 - a. **Consideration of Purchase and Sales Agreement with PFMT Holdings** – Assistant Executive Director Deanna Grigsby introduced the topic and pointed out the parcel in question displayed on the screen in the Boardroom. Ms. Grigsby reminded the Board that PFMT Holdings submitted a Letter of Intent to the Board two months ago,

which the Board approved. The Purchase and Sales Agreement was drawn up by the IDB's attorney, and was submitted to the Board at the last meeting on November 8, 2024. However, as the PSA was not received by the Board with enough time to review, Mr. Crisp had suggested to the Board that they table the item until today's meeting. Ms. Grigsby stated to the Board that now there had been plenty of time for review of the PSA and discussion with the City's new leadership on its vision for the future, it was time to discuss the item and put it to a vote. Mr. Blackwell asked for clarification on the offered price. Ms. Grigsby stated that the offered price for these 9 acres was a total of \$54,000. There were concerns from some Directors on whether this property sale aligns with the vision for the City as held by the Mayor-elect Larry Dagen, and confusion as to why this was being discussed again prior to the Mayor-elect taking office. Mr. Crisp clarified that from a procedural standpoint, this PSA needed to be voted upon by the Board today, be that a vote to turn it down or a vote to move forward with the sale. James Blackwell made a motion to reject the PSA and not move forward with the sale. John Perales made a second to the motion. More discussion ensued. Mr. Blackwell expressed concerns that the offered price of \$54,000 did not compare to the appraised value of around \$100,000 for this property. Director Jim Warberg had the same concerns with the offered price and also raised an additional concern which is summarized hereafter: If we don't accept this proposal and say no right now, then what are we going to do with it? It is our responsibility as a Board to have some sort of plan, be that remediation of the property or a sale for higher price. Mr. Crisp stated to the Board that three years ago, when he began employment with the IDB, he was adamant that everything be clear and transparent to the Board of Directors. This means that all offers submitted to staff will be brought before the Board so that the Board operates with all the knowledge and everything is transparent from beginning to end, including the good deals and the bad deals. The Board reserves every right to turn down what it deems as bad projects or unsatisfactory land sales. Mr. Blackwell asked what the building timeframe is, provided the purchase goes through. Mr. Crisp explained that as he understood it, the buyer wanted to build warehouses on the property after the purchase is complete. Of course, the City's Planning Commission must approve what the buyer intends to build. More discussion ensued. Mr. Perales posed a question to Mike Gill asking if he saw a future use on this land from the airport. Mr. Gill answered yes. Chairman Vaughn stated that Mr. Warberg had a great point earlier in saying that if this deal is discarded, then what replaces it? The razor's edge that the IDB must walk is that it must be a good steward with this property and maximize each opportunity, yet on the other side of the coin, the IDB doesn't have a line of people waiting to buy the land. That being said, the IDB should never be rushed to make a decision. City Manager Frankie Dakin spoke and stated it is important to get back with the buyer pending the outcome of the Board's decision and let him know that we appreciate that he is trying to do business in Millington, and to communicate effectively. Mr. Langford asked if there could be a timeline created to pass on to the buyer, to give him an idea of what to expect. This is a good idea, but Mr. Crisp added that we should be very clear with the developer and not give him false hope if the deal as offered will never happen. Kindly recall that prior to all of this discussion, James Blackwell had made a motion to reject the PSA and not move forward with the sale. This was seconded by John Perales. Cary Vaughn, John Perales, Jack Langford, James Blackwell, Jim Warberg and Rod Loggins. Motion carried. James Blackwell made a motion that states the following: the IDB will tell the developer that the IDB will revisit this topic once it gets a new survey and appraisal and will speak to the developer within 120 days after receipt of the appraisal. Rod Loggins made a second to the motion. Cary Vaughn, John Perales, Jack Langford, James Blackwell, Jim Warberg and Rod Loggins. Motion carried.

- b. **Survey Contract with All World Project Management** – Ms. Grigsby stated that prior to Campbell and Pickering becoming involved with the larger survey needed of the property involved with the land swap between the City, IDB and MAA, she had reached out to AllWorld Project Management to survey this parcel regarding the sale. Ms. Grigsby stated that this contract for the smaller survey may now confuse the larger issue of the whole survey and wasn't sure whether to proceed with this contract or not. It is being put before the Board now for discussion. Ms. Adrian stated it would be best to let the larger survey cover this parcel rather than do it separately and work around it when it comes time for the larger survey to be conducted. Mr. Blackwell asked what the cost is of the surveys for which the contracts were written. Ms. Grigsby responded that the cost of the survey for the 9 acre parcel is \$4,700 and if it is done in conjunction with the survey for the 10 acre parcel then it will be lowered to \$4,000. So, the total cost for both surveys is \$8,700. The Board reached an agreement that it would be better to reject these smaller contracts and do the whole thing in one sweep.

6. 10 Acres South of Weather Tower

- a. **Consideration of Purchase and Sales Agreement with PFMT Holdings** – This topic was formally introduced, but it was included in the discussions of the previous agenda item concerning the 9 acres Purchase and Sales Agreement, as many of the concerns and issues are the same for both. Therefore, the Board was all in agreement to take the same course of action as was taken for the Purchase and Sales Agreement for the 9 acres north of the courthouse without further discussion. John Perales made a motion to reject the Purchase and Sales Agreement with PFMT Holdings for the 10 acres south of the weather tower. James Blackwell made a second to the motion. Cary Vaughn, John Perales, Jack Langford, James Blackwell, Jim Warberg and Rod Loggins. Motion carries.
- b. **Survey Contract with All World Project Management** – This topic was discussed in tandem with agenda item 5.b.

7. Executive Director Update – Chairman Vaughn introduced the topic and gave the floor to Executive Director Jon Crisp.

a. Jetway:

- i) **BRAG Grant** – Mr. Crisp stated that the IDB has received the BRAG grant from TDEC for Jetway. This grant is for mitigating the eastern side of the Jetway parcel. The grant is for approximately \$69,000. The way it works is the IDB will pay a bill to EnSafe once a month and then will invoice that amount to the State of TN to be reimbursed for the cost. The grant does not cover TDEC’s administration fees, however, so the IDB will eat that cost. Mr. Crisp stated the total cost of the fees will be about \$35,000 to \$40,000 dollars over the entire course of the project. Mr. Crisp also stated that after Ms. Patsy Fite decides to do something with her side of Jetway and that part is cleaned up, then the IDB could potentially be left with some very valuable property to be used as it and the City sees fit.
 - ii) **EnSafe Agreement** – Mr. Crisp stated that this agreement, which was discussed during the previous agenda item of 7.a.i., will need to be signed for the IDB to accept this. He stated there was no need to vote on it now, and the Board can take its time to look it over.
 - iii) **Request for Reimbursement via Jetway, LLC Invoice** – Mr. Crisp informed the Board that Mr. James Raspberry, the owner of the side of Jetway involved in this grant, has been ready to sign the property over to the IDB for several years now. For the IDB to be eligible for the BRAG grant it now has, the property cannot be signed over to the IDB just yet and so Mr. Raspberry is forced to hold on to this property until that time comes. As such, he had an agreement with Mr. Ed Haley (back when the City was discussing this remediation rather than the IDB). The agreement was that the City will pay the property taxes and the annual fee to stay in the DCERP program. Now that the IDB has taken over this project, Mr. Raspberry has sent an invoice requesting reimbursement for the property taxes and the DCERP program fees for 2024 and 2025. James Blackwell made a motion to approve payment for the invoice submitted by Mr. Raspberry in the amount of \$8,789.16. John Perales seconded the motion. Cary Vaughn, John Perales, Jack Langford, James Blackwell, Jim Warberg and Rod Loggins. Motion carried.
- b. **Butler Buildings: Moving Towards Closing, Survey Done and Subdivision to be Considered by Planning Commission in December** – Mr. Crisp stated that IDB staff spoke with the City Planner. The final plat for the subdivision will be put before the Planning Commission in its December meeting.
 - c. **Beechwood: Phil Lopes with Acrow Moving into Area 2nd Quarter/HR Needs Experienced Warehouse Management** – Beechwood is being remodeled and already has its needed new roof. The front part near the road is being turned into very nice office space and the rear will be warehouse space. Phil Lopes, President of Acrow, spoke with Mr. Crisp. His company builds prefabricated metal sections of bridges for states. Acrow builds the bridge for the state and the state leases to own the bridge over time. They are very excited to be in Millington, and will begin with about 15 employees but will eventually go to 50 or 70 employees. He has told Mr. Crisp that

he needs help finding an experienced warehouse manager, and Mr. Crisp stated that if anyone knew of someone who fits this, to let him know.

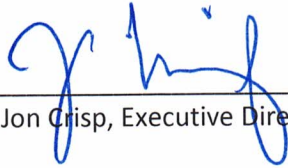
- d. **Nulls Towing: Needs 1 Acre for Lot in Police Station Area** – Mr. Crisp informed the Board that he has been talking to the owner of a towing company who needs to purchase land for a new location for her company. There is a law, Mr. Crisp stated, that requires a towing company to have a presence in the city where they work. So, to be able to tow cars in the City of Millington, she needs a location in Millington. The preferred location is for one acre north of Millington’s police station. The owner intends to build a masonry building and pave the lot.
- e. **Fire Riser Leak Cleanup: Final Cost \$1,900** – Mr. Crisp reminded the Board that the IDB office had a second leak from the sprinkler system. Reader, if you may recall, the IDB had an initial leak in July that ruined the carpet and lower half of the walls in Jon’s office. For this second leak, which covered an even larger area, Jon called Servicemaster in to pull water out of the carpet and walls. Staff is pleased to report that the work was successful and the total cost of the service was \$1,900.

8. Other Business

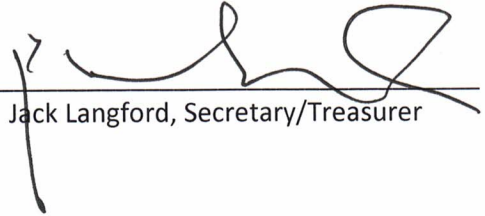
- a. **Broken Rooftop Unit Update: Work is Done** – Ms. Grigsby informed the Board that the broken rooftop unit over Suite 104, which was discussed in part at the last Board meeting, has been successfully replaced. Staff procured a total of four quotes, with the lowest bid coming in at \$10,200 from Rice Heating and Air. The work was performed quickly and efficiently and just before a big freeze.
- b. **Staff Bonus** – Mr. Crisp and Ms. Grigsby left the room for the entirety of this item’s discussion. Chairman Vaughn reminded the Board that at the regular Board meeting on April 12, 2024, it was decided that employees would be paid their earned bonus every June and December. Executive Director Jon Crisp requested that all bonuses be split between himself and Assistant Executive Director 60/40 at the discretion of the Executive Director. Chairman Vaughn recalled that Beechwood had been sold for \$800,000, making the full \$30,000 bonus available to the employees. Sixty percent of the \$30,000 which is \$18,000 will go to Jon Crisp, and forty percent which is \$12,000 will go to Deanna Grigsby. Rod Loggins made a motion to approve the bonuses as presented. Jack Langford made a second to the motion. Chairman Vaughn commended the performances of both employees. He praised the performance of Ms. Grigsby and also heavily praised Mr. Crisp for recognizing her performance and rewarding her for such. Cary Vaughn, John Perales, Jack Langford, James Blackwell, Jim Warberg and Rod Loggins. Motion carried.
- c. **January 10, 2025:** This is the date of the next regular meeting of the Board.
- d. **Other Business** – There was one other item of business to properly come before the Board.
 - i) City Manager Frankie Dakin introduced the new City Planner, Jared Darby. Mr. Darby mentioned the Funafuti Subdivision Plat and one hiccup with it, that being the three existing buildings sit too close to the property line. Mr. Darby has been working with the applicants and future property owners to overcome this hiccup. The solution to overcome the hiccup is that buildings have to come down before the plat can be recorded. The future property owners can either bond the demolitions or provide serious evidence of the permits being pulled, before the City’s Planning department can move forward with the staff recording the subdivision plat.
 - ii) Airport Lease – As stated during the public comments period of the agenda, the airport lease needs to be extended as it expires December 31, 2024. Rod Loggins made a motion to waive the requirement of the 30-day notice for intent to extend the lease, to extend the lease for five years, and to authorize Cary Vaughn in his capacity as Chairman to sign an amendment to this effect. John Perales made a second to the motion. Cary Vaughn, John Perales, Jack Langford, James Blackwell, Jim Warberg and Rod Loggins. Motion carried.

9. **Adjourn** – With no other business to discuss, the Board was all in favor of adjourning the meeting.

I have read and approved the above minutes of this regular Board meeting:



Jon Crisp, Executive Director



Jack Langford, Secretary/Treasurer

*Mr. Crisp is signing approval in lieu of the Chairman or Vice Chairman, as the IDB is without either at the time these minutes were approved.