

**Minutes**  
Columbus Community and Industrial Development Corporation  
Board of Directors Meeting

The Columbus Community & Industrial Development Corporation met in Special session on Monday, **April 3, 2017** at 6:30 p.m., in the Council Chambers of City Hall located at 605 Spring Street, Columbus, Texas. The following CCIDC Members were present:

President	-	Bruce Tesch
Vice President	-	Curtiss Schonenberg
Treasurer	-	Lori An Gobert
Secretary	-	Joel Usher
Board Member	-	DyAnn Lauzon (absent)
Board Member	-	Byron Marburger (absent)
Board Member	-	Andy Nunmaker
City Manager	-	Donald Warschak
Assistant City Secretary	-	Traci Edman

**1. Call to Order.**

President Bruce Tesch called the CCIDC meeting to order at 6:32 p.m.

**2. Pledge of Allegiance and Invocation.**

The Pledge of Allegiance and Invocation were led by Bruce Tesch.

**3. Discussion and Action, if necessary, regarding the rezoning of the 12.129 acres at the Crossroads Business Park.**

Donald stated that the rezoning is for the property aquired from the Ag Complex. Acorn Seekers is now looking at the property. Right now it is zoned as public use, so it needs to be converted to industrial.

Lori An Gobert made a motion to rezone the 12.129 acres at the Crossroads Business Park to industrial. Andy Nunmaker seconded the motion. The vote was as follows:

Ayes: Gobert, Usher, Nunmaker, Schonenberg, and Tesch  
Absent: Lauzon and Marburger

The motion passed.

**4. Discussion and Action, if necessary, regarding the E'Kabel project.**

Bruce, Donald, and Traci met with Juan Torrealba. Bruce let him know it had been about 7 years that we have been working on this deal and I let him know where we were at. There were talks of an extension, but I told him we are not talking extensions until we get something going with the negotiations. Bruce gave him the Board's terms to cut the employees to only 12, cut the acreage 50% after 5 years, and 50% of the cost of the drainage project. In the discussion, Mr. Torrealba made Bruce aware that in the last 7 years they haven't needed the facility and they are just now getting to where they need it for their outsource. Donald said they are trying to build their US market. Their customers want them to have inventory on demand. To do that, they need a facility. Bruce said he made him aware that we have been pushed along, so now we need a commitment. Mr. Torrealba brought it to Bruce's attention that the land is how they are getting their financing. At the meeting, we did not get approval on the \$450,000 maximum that would be put into the drainage project. He does know that if we approve this, they will have to put that money into escrow. We want the money before we go out for bids. Lori An said that according to the email response from Mr. Torrealba, which is attached to these minutes, they agreed to 12 employees with an average of \$36,000 per employee. Bruce said Juan asked if he pays each

employee more, can he get away with 8 employees. Bruce told him that was something the Board would have to discuss.

Bruce asked if E'Kabel got the full site on the bank note as collateral and if they would default, what could the Board do. Andy stated that nothing could be done. Curtiss stated that if it that happens, there are zoning requirements and they cannot put just anything on the land. Andy said that the Board cannot approve or disapprove of someone buying the land if it is collateral for the loan and the bank takes the property. Lori An said that the contract expires in June 2017, so if there is nothing built on the site then the land would come back to us. If they don't make the deadline, the contract is null and void. Lori An said they have not really met a single deadline and they have been stringing us along for a very long time. We have tried to ingratiate ourselves with them, so that is very frustrating. On the other hand, I am looking at economic development for our community. If they come in and build on the property, they have jobs. I can't just dismiss it like I would a normal business. I am tempted to say let the contract go null and void and start over with less acreage. Andy said he agreed and he wants to get this done. We have two months before it expires. They don't need the additional property, but that is the only way they got their loan. If they got that loan, they should be able to get a smaller loan for less property. Bruce said they are going to build the front section and he knows they are not going to build the rest anytime soon, but they have to have the land to get the money. Joel said he has felt the entire time that they have had the upper hand and now we have the upper hand. He thinks we should just let the contract go and renegotiate. Curtiss asked if we needed to get with our attorney so we would not be in a position to be liable.

Curtiss made a motion to send the attached email to attorney Cary Bovey for review and recommendations before a decision on extending or doing anything further on this project. Andy also added to the motion that it is the Boards opinion at this point that there will be no extension to the original agreement. Joel Usher seconded the motion. The vote was as follows:

Ayes: Gobert, Usher, Nunmaker, Schonenberg, and Tesch  
Absent: Lauzon and Marburger

The motion passed

**5. Executive Session: In accordance with Texas Government Code, Subchapter D, Section 551.072 deliberation regarding real property and Section 551.087 deliberation regarding economic development.**

Executive Session was not needed.

**6. Reconvene into Special Session and Consideration and Action, if any, regarding Executive Session, deliberations regarding real property and economic development.**

This item was not needed.

Curtiss asked to have the two items placed on the next agenda. He asked for the Board's permission to approach the Commissioner's Court concerning the drainage project and to start a renegotiation process with the state concerning gas line grant situation.

**6. Adjournment.**

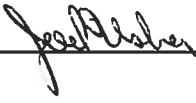
President Bruce Tesch adjourned the meeting at 7:00 pm.

President:



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Attest  
Secretary:



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