

Minutes
Columbus Community and Industrial Development Corporation
Board of Directors Meeting

The Columbus Community & Industrial Development Corporation met in Regular session on Monday, **June 20, 2016** 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	-	Curtiss Schonenberg
Vice President	-	Byron Marburger (absent)
Treasurer	-	Lori An Gobert
Secretary	-	Joel Usher
Board Member	-	DyAnn Lauzon (absent)
Board Member	-	Barbara Peterman
Board Member	-	Andy Nunmaker (arrived at 6:38 pm)
City Manager	-	Donald Warschak
Assistant City Secretary	-	Traci Edman

1. Call to Order.

President, Curtiss Schonenberg, called the CCIDC meeting to order at 6:35 p.m.

2. Pledge of Allegiance and Invocation.

The Pledge of Allegiance and Invocation were led by Curtiss Schonenberg.

3. Consent Agenda:

- a) Approval of May Invoices.
- b) Approval of May 2016 Financial Statements.
- c) Approval of Regular Meeting Minutes for May 9, 2016.

Lori An Gobert made a motion to approve the consent agenda as presented. Barbara Peterman seconded the motion. The vote was as follows:

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

The motion passed.

4. Citizens' Presentations and Comments.¹

No citizen presentations or comments were made.

Andy Nunmaker arrived at 6:38 pm.

5. City Manager's Report: Sales Tax.

City Manager, Donald Warschak, stated the June sales tax revenue was up about \$4,000 from last year's same time period. The CCIDC's portion of sales tax revenue was \$38,738.32. The county and Eagle Lake also experienced increases in their sales tax revenue for the same time period, while Weimar saw a decrease. Concerning the 12 acre clean up of the burn pile that was discussed at the last meeting, Donald stated that City crews will start at the end of the week or the following week. The metal and other debris that did not burn will be hauled away. He also reported on the gas line. The gas is now flowing out to KWI. The pressure is running around 99 lbs. A regulator station was installed at the end of the line to allow gas to be fed back into town. B&D Services installed a gas line from Great Southern Way, where the regulator station is located, at the northeast corner of Great Southern Wood's property. It will extend

west along the north side of Great Southern Wood in the 50 foot property strip and will terminate at the county road on the back side of Great Southern. Gas will then serve the far western portions of our property. Curtiss asked about the cost of the gas line. Donald stated he would have to go back and look at it, but the material was running around \$5 per foot and there was 1,600 feet. Donald also stated that on the gas line project with KW International, we would be held liable to make up \$10,000 per employee for the deficit in jobs produced. KW International was up to 93 employees at one point, but at the last report, they were in the 50's range. There is a possibility that we may have to pay some money to the state for the deficit in employees. Lori An asked about the cut-off date and Donald stated the end of the contract period will be September 2016. Emily, from Grantworks, is checking to see if there is any way to get an extension, in hopes that the market rebounds and employment numbers go up. Curtiss stated that the City may have more of an obligation than originally thought, so CCIDC may have to share that expense with the City. He said we are hoping that the state will work with us and give us an extension on this situation. Donald stated they had a walk-through last week and they are working with the contractor to get the construction portion closed out.

6. Discussion and Action to approve the Annual Financial Report for the year ended September 30, 2015.

Curtiss stated that CCIDC received a clean report.

Lori An Gobert made a motion to approve the annual financial report for the year ended September 30, 2015. Barbara Peterman seconded the motion. The vote was as follows:

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

The motion passed.

7. Discussion and Action, if necessary, to authorize advertising of the availability of the 2016-17 Community Development Grant Applications.

Curtiss stated this item is to allow administration to advertise the grant in the newspaper. A timeline for the process was also included in the agenda packet. He also stated that 10% of CCIDC's budgeted revenue is designated for the Community Development Grants. Barbara asked if this money was usually all spent. Curtiss stated it was not usually all spent.

Barbara Peterman made a motion to authorize advertising of the availability of the 2016-17 Community Development Grant applications. Joel Usher seconded the motion. The vote was as follows:

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

The motion passed.

8. Discussion and report of the ACC meeting from May 16, 2016 concerning E'Kabel.

Curtiss said that prior to construction, the ACC has to meet to review the proposed buildings. The ACC had a meeting on May 16, 2016 on E'Kabel's building. All aspects of their construction was covered, including parking areas, outside storage, exterior signage, trash receptacle placement, landscaping, easements and utilities. Everything was in compliance, with the exception of the building materials. E'Kabel asked for a variance to use metal, with some masonry on the northeast and east facing corners. This was something that Lori An Gobert had asked for at the last meeting. It was the decision of the ACC to grant that variance. The ACC consists of Donald Warschak, DyAnn Lauzon and Curtiss Schonenberg. Andy asked if there was a date that they will be starting. Curtiss said the weather was a hold-up right now. They had not been able to get their engineering out there to do the work on the slab. Donald added that they probably want to get an oil rig to take soil borings so they can do the geo tech work for the

foundation. He has been talking to their surveying firm out of the Wharton area. A firm from LaGrange is doing the civil design on the project. Andy asked if Donald had an idea of a timeline, from start to finish. Donald said that if you look at the KW International project, they started in the early fall of 2012 and had the facility up by mid to late spring 2013.

9. Discussion and report of the Aq Complex Sign Committee.

Byron Marburger was not at the meeting to report, but Curtiss talked to Ray Corcoran, the Board Chairman, and encouraged him to meet with their committee. Corcoran said they were having a meeting that night. Curtiss stated that the funds designated for the sign are from the Community Development Grant and will go out at the end of the fiscal year. The committee would have to submit a new grant again for the funds after September.

10. Discussion and Action, if necessary, regarding the Colorado County Employment Initiative.

Barbara stated that this item was put back on the agenda for closure. There has not been much interest in the Initiative. The Chamber has invited speakers, Chamber members, and scheduled two meetings, but had to cancel one due to lack of participation. There was no progress made and they are at a loss to figure out an effective way to help the employment situation. Lori An said she thought that once the Eagle Lake Tech School was operational, it would be helpful to be aware of what they will offer. Barbara then suggested taking this item off the agenda.

11. Discussion and Action, if necessary, regarding the front 18 acres.

Donald gave an update on this item during the City Manager's Report. He will give a status report during his next City Manager's Report in July. Curtiss stated that an issue will be addressed in executive session regarding this item.

12. Discussion and Action, if necessary, regarding the drainage issue on CCIDC property.

The preliminary report from Scheibe Consulting Firm was made available and Donald showed the flow of the drainage areas at the Industrial Park on a map. The Board had a lengthy discussion concerning the areas on the map and the drainage issues. Curtiss asked if Doug Woods, an engineer with the railroad, had been made aware of the drainage problems. Donald said he was waiting to contact him after some of the engineering was done. Curtiss said it would be good to let him know and he possibly would want to do his own study. The next report from this consulting firm will be out in August. Barbara asked if it was only CCIDC's responsibility or should each of the businesses out there take on a portion of responsibility to solve the problem. Donald said more of it would fall on the Industrial Park to do improvements to build up the drainage to carry the water. Barbara said she would think E'Kabel would work on the drainage on their project as well. Donald said they will be bringing the water to us and we will have to take it from there. The City does not have an ordinance to require onsite retention, although KW International put in one retention pond and Great Southern Wood put in two. Donald said they asked when businesses move into the Park that they do what they can to be neighborly and provide some type of storm water retention. Back when the Park was designed, the plan was as things developed, to add drainage culverts and improve the ditches going back towards the west on Crossroads Boulevard. Once you get past Great Southern Wood, it was laid out so possibly in the future a storm sewer could be added to carry some of that water to the ditch. After the recent flooding, we need to clean out the existing ditch to allow water to get out. This item will stay on the agenda.

13. Discussion regarding E'Kabel.

E'Kabel was discussed in item 8.

14. Discussion of the 2016-2017 budget.

A proposed budget will be presented at the July meeting. Lori An listed items to be considered for next year's budget, such as the land exchange property taxes and closing costs, fencing, the gas line job deficiencies, the western property cost of improvements, E'Kabel offsets to the City and drainage issues. These are big items and money will probably need to be transferred from CCIDC's CD's.

15. Discussion and Action, if necessary, regarding any prospective companies interested in land at the Crossroads Business Park.

No new prospective companies at this time.

16. 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.

Curtiss adjourned the Regular Session for Executive Session at 7:22 pm.

17. Reconvene into Regular Session and Consideration and Action, if any, regarding Executive Session, deliberations regarding real property and economic development.

Curtiss reconvened the Regular Session at 7:37 pm, with the same members present. No action was needed from the Executive Session.

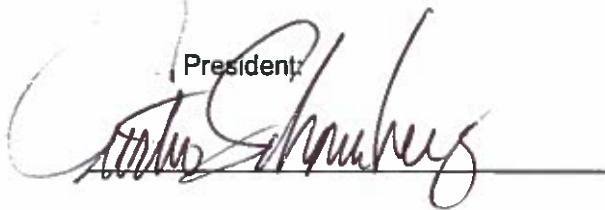
18. Discussion of items to be placed on future agendas and announcements.²

Curtiss made a suggestion to reach out to identify land owners around I-10 to see what is available and if there is any way to help them market their land for retail businesses.

19. Adjournment.

President, Curtiss Schonenberg, adjourned the meeting at 7:41 pm.

President:



Attest

Secretary: