

Minutes
Columbus Community and Industrial Development Corporation
Board of Directors Meeting

The Columbus Community & Industrial Development Corporation met in Regular session on Monday, **November 21, 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	-	Bruce Tesch
Vice President	-	Curtiss Schonenberg
Treasurer	-	Lori An Gobert
Secretary	-	Joel Usher
Board Member	-	DyAnn Lauzon
Board Member	-	Byron Marburger
Board Member	-	Andy Nunmaker (absent)
City Manager	-	Donald Warschak
City Secretary	-	Bana Schneider
Assistant City Secretary	-	Traci Edman

1. Call to Order.

President, Curtiss Schonenberg, called the CCIDC meeting to order at 6:36 p.m.

2. Pledge of Allegiance and Invocation.

The Pledge of Allegiance and Invocation were led by Curtiss Schonenberg at the annual meeting just prior to this meeting.

3. Consent Agenda:

- a) Approval of Invoices.
- b) Approval of October 2016 Financial Statements.
- c) Approval of Regular Meeting Minutes for October 17, 2016.
- d) Approval of Quarterly Investment Report for the Quarter Ended September 30, 2016.

Curtiss asked that the October 17, 2016 minutes be revised to read "B&D invoices", instead of "invoice," to reflect there were two invoices.

DyAnn Lauzon made a motion to approve the consent agenda as presented, with the correction of the word "invoices" on the October 17, 2016 minutes. Joel Usher seconded the motion. The vote was as follows:

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

The motion passed.

4. Citizens' Presentations and Comments.¹

There were no comments or presentations.

5. City Manager's Report: Sales Tax

City Manager, Donald Warschak, stated the November sales tax revenue was up about \$2,600 from last year's same time period. The CCIDC's portion of sales tax revenue was \$45,707.78. The county and Eagle Lake also saw an increase in their sales tax revenue, while Weimar saw a decrease in their sales tax revenue over the same time period from last year.

6. Discussion and Action to approve a budget amendment for the 2015-2016 budget.

City Secretary, Bana Schneider, stated that the presentation of the budget should be changed after conferring with the auditor. Line item 7100, transfer from reserve fund, is in with the revenues and it is really not a revenue. It is from the general fund balance, and you are not reducing the fund balance. Paula Lowe, from Patillo, Brown and Hill, said it is just an intentional use of the fund balance, so a new line titled "required from fund balance" was added to give "funds available for expenditures." There is no reserve fund, so you were just working everything out of your general fund. If a separate reserve fund was set up, it would increase the time for accounting, increase audit expenses and a reserve fund policy would need to be created for use of the reserve funds. This change would include the 2015-2016 budget and the 2016-2017 budget.

Lori An Gobert made a motion to approve the proposed budget amendments of the 2015-2016 year and to reclassify the restricted fund balance. Curtiss Schonenberg seconded the motion. The vote was as follows:

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

The motion passed.

7. Discussion and Action to approve a budget amendment for the 2016-2017 budget.

Lori An Gobert made a motion to reclassify the restricted fund balance for the 2016-2017 budget. Curtiss Schonenberg seconded the motion. The vote was as follows:

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

The motion passed.

8. Discussion and Action to approve the one year extension of the First State Bank depository bid to September 30, 2017.

Curtiss stated that the despository contract with the First State Bank was for two years, with an option to extend for one year. Since we have extended over into October, he recommended doing the one year extension. Next year the despository will go out for bids.

Curtiss Schonenberg made a motion to extend the depository bid to the First State Bank to September 30, 2017. Lori An Gobert seconded the motion. The vote was as follows:

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

The motion passed.

9. Discussion and Action on Clean Harbors application for hazardous waste at the landfill.

Clean Harbors had applied for a hazardous waste dumpsite. The City has a resolution on its upcoming agenda to oppose the dumpsite. Ealge Lake and Weimar also have resolutions in opposition to this hazardous waste landfill. Curtiss suggested that as an economic development group, the Board should also show unification in opposition, either by letter or resolution. There is potential for contamination of our groundwater.

Byron Marburger made a motion that the Board write a letter opposing the application from Clean Harbors for hazardous waste. Bruce Tesch seconded the motion. The vote was as follows:

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

The motion passed.

10. Discussion and Report on the Ag Complex Sign Committee.

Curtiss stated that the Ag Complex does not want to pursue a sign, but they have submitted a letter to ask that the Board roll the funds for the sign over into upgrading their bleachers. \$25,000 was committed toward the sign. Byron restated his disagreement and disappointment with the committee concerning the sign. He said at the bottom of the hill, where they could place the sign, it is perfectly visible from either direction and that anything would have been better than nothing. He stated they should submit a grant application because the \$25,000 was designated for a sign. Lori An said it was part of their contract for a sign. If they would later ask for a sign, she would be happy to honor that request.

Lori An Gobert made a motion to decline the offer. The money was written as part of a contract for advertising and the bleachers do not qualify. If they would like to approach the Board separately for a grant, we would be happy to honor that at that time. Joel Usher seconded the motion. The vote was as follows:

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

The motion passed.

11. Discussion and Action, if necessary, regarding the 2016-2017 Community Development Grant Application received.

The Garden Club has requested \$2,500 for their annual Trash-Off. The application will be sent to attorney Cary Bovey for his response to the application.

Curtiss Schonenberg made a motion to grant the Garden Club's request for a Community Development Grant for their annual Trash-Off. Byron Marburger seconded the motion. The vote was as follows:

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

The motion passed.

12. Public Hearing, if necessary, regarding the 2016-2017 Community Development Grants.

Curtiss Schonenberg adjourned the regular meeting at 7:00 pm. The public hearing was opened at 7:00 pm concerning the grant applications. There was no discussion.

The public hearing was closed at 7:01 pm and the regular meeting was reopened at 7:01pm, with the same members present as before.

13. Discussion and Action, if necessary, on maintaining the ag exemption on the 54 acres.

Curtiss stated the Board needs to continue to have an ag exemption on the 54 acres, so a lease agreement is needed with Mr. Saul. We should be receiving a copy of the lease from Mr. Stein. This item will be on the next agenda.

14. Discussion and Action, if necessary, to take care of requirements for the land exchange.

Concerning the east entrance into Mr. Massey's property, the drainage issue requirements was not known at the last meeting. Donald stated there was not a need for a culvert, so B&B will set the gate and then the City will build an entrance to the gate.

Byron Marburger made a motion to authorize the City to provide the entrance to the Massey property on the east side. Joel Usher seconded the motion. The vote was as follows:

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

The motion passed.

15. Discussion and Action, if necessary, regarding the drainage study.

Lori An asked what created this drainage problem, since this problem did not previously exist. Donald said the development of the pipe yard sight and the county road that was built. The road now acts as a dam, forcing the water to the south. Curtiss said the county engineer based his decision on the road design based on the configuration of the land at that time. The natural drainage would go right through Massey's property and down to the river. There should have been a culvert there. Now the drainage will be addressed at the north side of the pasture, deepening the ditch along the county road on the east side of the road and bringing it down the north side, digging a culvert underneath the road and bringing a ditch over to the low area going into Mr. Massey's property. It would leave the entire 54 acres to develop and not have to worry about drainage. There has been a delay, but the judge and the commissioner are both receptive to working with us on this project. Both agree this needs to be a joint effort with the railroad and TG Mercer. TG Mercer did not ask for an impact environmental study and they should have. There will be a joint meeting with the county, the railroad, TG Mercer and CCIDC.

16. Discussion and Action, if necessary, regarding E'Kabel.

The E'Kabel project is being held up now until they can find out exactly what elevation changes are going to be made on the drainage. Donald said that Eric Scheibe suggested upgrading the structure that is at the intersection of Great Southern Way and Crossroads Boulevard to a larger structure and to deepen the ditch. He also suggested deepening the ditches on the east and north side of E'Kabel, and then along the west on Crossroads Boulevard. Before you get to the county road, there is another set of culverts that go under the road that need to be upgraded and regrade the ditch downstream of that to go north to where the Ag Complex is located. Then regrade and deepen the ditch to the east. Donald said he told Mr. Scheibe he could get a surveyor out there to get the elevation of what he needs to set each of the culverts. The elevations can then be taken to Drymalla's civil engineer to figure how much they can lower the site from what they originally proposed. When Donald met with Juan Torrealba and Jay Altieri from Drymalla, they were discussing the improvements and what can be done to reduce their costs. In addition to lowering their site, also making adjustments to the way the buildings are laid out. Originally they started on the west side of the property, raising about 1-1 ½ foot above the existing natural ground elevation and then carrying the same finish floor elevation all the way to the east. The ground slopes, so by the time you get to the east, you probably have 3-4 foot of fill. That raises the cost. Mr. Altieri approached Mr. Torrealba about having varying finish floor elevations in the buildings. Mr. Torrealba did not think it would have that much of an impact on the future building, which is going to run the full length from the east to the west side of the property. Currently they are planning a future building on the west side of their property that would be a mirror image of the current building they are proposing on the east side of the property. Between the two building would be a loading dock area. If they would go with different finished floor elevations, it would just change the slope to the loading docks. So they are reducing the fill, lowering the ditches and culverts, and making adjustments to the finish floor. Lori An asked if E'Kabel would have been able to complete their project by the original deadline. Bruce said he thought that was asking too much for the Board to speculate. Lori An said that the Board has been very generous and she wanted to make sure they were not using this to their advantage of deferring longer. Drymalla had said it would be about 6 months to be up and running. Curtiss said the contract with

E'Kabel will have to be revisited. Donald said that when they first put their budget together, it was very preliminary. They had set costs and now they are looking at much higher costs. They are trying to get the project back down to budget. Bruce said they are not waiting on us to do the drainage work, but are waiting on the design and elevations. Donald said that if we say we are going to move forward with the drainage project, then they can redo their design and start construction, assuming we are going to do the drainage. No action was needed. This will be an agenda item at the next meeting.

17. Discussion and Action, if necessary, regarding a maintenance contract at the Crossroads Business Park.

Two bids were received for the maintenance contract. One from Brushline Dozer Services for \$5,400 and one from Maertz Equipment for \$4,000. DyAnn voiced her concern about what the Board had gone through on a previous contract that wasn't upheld, and how Brushline helped out. She also commented that they have been doing a good job. Bruce stated that there was a \$1,400 difference in the bids. Donald stated that he reviewed with Maertz Equipment the areas that they would be responsible for cutting and maintaining.

Bruce Tesch made a motion to accept the bid for the maintenance contract from Maertz Equipment. Lori An Gobert seconded the motion. The vote was as follows:

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

The motion passed.

18. Discussion and Action, if necessary, regarding the requirements and process of annexing the 54 acres by the City.

The timeline for annexation was in the packet. Donald stated that the process usually takes about 6 weeks. Curtiss asked about the Zoning Amendment Process on the timeline. Donald replied that when property first comes into the City, it comes in as a residential tract because it is the most restrictive. Then an application to rezone as industrial would need to be filed.

Byron Marburger made a motion to start the annexation process on the 54 acres into the City of Columbus. DyAnn Lauzon seconded the motion. The vote was as follows:

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

The motion passed.

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

Acorn Seekers are finalizing their legal situation with their new investor. As soon as that is legalized, they will come up with their project description. They are holding off on submitting their application until that is finalized. They have also asked for more property and would like frontage road exposure.

20. 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.

This item was not needed.

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

This item was not needed.

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

Curtiss said there may need to be a change in the ACC members at a later date if he leaves the Board. He also said that he would like to start writing into contracts with tenants that if the land is not used within a certain period of time that the property would go back to CCIDC. Then the land could be used for potential tenants. Curtiss asked that an agenda item be added at the next meeting concerning the wording of future contracts.

Vice President, Curtiss Schonenberg, adjourned the meeting at 7:45 pm.

President:



Attest
Secretary:


