

Minutes
Columbus Community and Industrial Development Corporation
Board of Directors Meeting

The Columbus Community & Industrial Development Corporation met in Regular session on Monday, **April 17, 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 (absent)
Secretary	-	Joel Usher
Board Member	-	DyAnn Lauzon
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 6:37 p.m.

2. Pledge of Allegiance and Invocation.

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

3. Consent Agenda:

- a) **Approval of Invoices.**
- b) **Approval of March 2017 Financial Statements.**
- c) **Approval of Regular Meeting Minutes for March 20, 2017.**
- d) **Approval of Special Meeting Minutes for April 3, 2017.**
- e) **Approval of Quarterly Investment Report for the Quarter Ended March 31, 2017.**

Curtiss Schonenberg made a motion to approve the consent agenda as presented. Andy Nunmaker seconded the motion. The vote was as follows:

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

The motion passed.

4. Citizens' Presentations and Comments.¹

Rolf Scheffler, Director of Special Projects from Kingham Dalton Wilson, introduced himself and discussed his company. They are a design build firm specializing in industrial single tenant user facilities. They have worked on projects in the area and wanted to learn more about CCIDC for potential companies wanting to move to this area.

President Bruce Tesch moved to item #8 on the agenda.

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

Juan Torrealba from E'Kabel, and Jay Altieri from Drymalla Construction were present to discuss the project. Mr. Torrealba made a presentation. In his presentation, he discussed that when they started, they were only in two countries and now they have expanded to 6 different countries; including Venezuela, Columbia, Peru, Mexico, Australia, and the United States. They will soon open in Panama

and Chile. Every country has a strategic market and plan. Their strategy is to keep growing in America, so they now need to get serious about their location here. With the flood situation last year, they asked Drymalla for an updated quote. If they move forward with the project and do not take care of the drainage, it could be a bad situation. E'Kabel wants to stay here and create quality jobs for everyone in the Columbus community. They need to extend the terms of the original contract because of the time and drainage issues. The approximate cost of the drainage improvement is around \$900,000 based on Scheibe Consulting. He then gave two scenarios, with the first one doing what was set out in 2015, but with an adjustment on the dates. CCIDC would take care of the drainage issues, based on what happened with the flooding. The second scenario would entail E'Kabel putting up 50%, up to \$450,000, toward the drainage improvements. This would not only pay for improvements for E'Kabel, but also for every member of the Park. We would not have to worry about getting the County or the railroad involved in the project. E'Kabel also asked to drop the number of employees from 24 x \$36,000 per job, to 12 employees to compensate for the money put toward the drainage.

Curtiss asked if there was an intent to lessen the scale of the project. Mr. Torrealba stated the size of the facility would be the same as it was in the master plan, 42,000 square feet, but they also believe they are going to keep growing. Curtiss asked about a timeline in the execution of the phases. Mr. Torrealba said it is market driven and with the oil and gas industry turning around, it will generate more projects. He also stated they are going after a different market and will diversify, so as not to depend as much on the oil and gas industry. Joel asked how long it would take for the project to be up and running. Mr. Torrealba said it was his understanding that once we move forward with the drainage, the projects could be going at the same time and it would take 9 to 10 months. Curtiss asked if they had received the information they needed from Scheibe Consulting. Jay Altieri said they had not received any formal plans. Donald asked if they could have a tight timeline schedule with final costs for the project. Jay said that once they get some civil plans, it would probably take 2-3 weeks to get all the bids together. Bruce stated that for the Board to grant an extension, we need Drymalla and E'Kabel to give us a date when the facility will be finished. There has to be a date in the contract. He asked if it was possible to have a completion date by May 15. Jay replied if he had some civil plans, but would not give a date since the plans are still out in limbo, and they have been out in limbo for some time. Curtiss stated that there has never been a motion to grant an extension to E'Kabel. Bruce said they are good until June 30, 2017, so if they can give us a date by the May 15 meeting, we can pass a motion to give them an extension to the date they give us. Jay Altieri asked if the date is supposed to be the completion of the building, done and occupied, or is that date supposed to be when the owner moves in, all employees are hired and trained and the equipment is set up. Joel read from the contract that states \$2 million in improvements to the property, installed machinery, equipment and inventory on the property with a value of at least \$1 million by June 30, 2017. Bruce said it was from construction. Andy stated he would not only like the extension with a date, but also to rehash all the requirements as part of the new agreement. Juan asked about the next step on the drainage improvement side. Donald stated that before the contract can be awarded for the drainage, E'Kabel's half of the money needs to be put in an escrow account so it can be used to draw from to pay for the project.

President Bruce Tesch moved back to item #5 on the agenda.

5. City Manager's Report: Sales Tax, KW Gas Line Project Grant

City Manager, Donald Warschak, stated the April sales tax revenue was \$33,286.59, which was down slightly from last year's same time period. The County and Weimar also saw a decrease in their sales tax revenue over the same time period from last year, while Eagle Lake saw an increase.

Concerning the KW gas line project grant, Donald stated the first quarterly report employee numbers had not been released, but we should have them by the next meeting. The number of employee from December 2016 report was 33 employees. Donald said he contacted Grantworks to see if we could use job counts from new companies that move into the Park toward the KW project to offset the difference. He had not received a response.

6. Discussion and Action, if necessary, regarding the application from Acorn Seekers.

Curtiss asked if Acorn Seekers had sent in their utility requirements. Donald said they had and that he did not see anything that jumped out at him. Curtiss said we need to contact them to move forward with a contract. They have satisfied the financial, zoning and utilities requirements. We now need to know the number of acres, employees, etc. for the contract. Bruce said an email can be sent to them and attorney Cary Bovey. Curtiss said we need to tell them what we need and work toward a contract.

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

Bruce said this was already discussed and they will contact Mr. Scheibe tomorrow.

Curtiss Schonenberg made a motion to move forward with the drainage project and start the bid process. Joel Usher seconded the motion. The vote was as follows:

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

The motion passed.

Andy asked when we will start advertising for the bids. Bruce said they would have Mr. Scheibe get a bid packet together and then they could start advertising.

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

Donald said he spoke with someone that was interested in acreage at the Park. They will be coming to Columbus to look at the 25 acres south of Great Southern Wood and the newly acquired 54 acres. The company manufactures chemicals for the oil and gas industry and additives for soap. They are looking to build a large metal building and they need rail access. They asked about a price per acre. Donald told them to fill out an application and the Board would look at it.

10. 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.

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

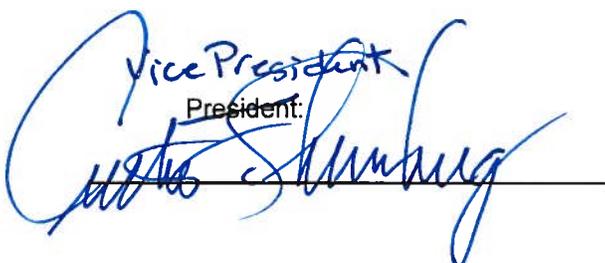
This item was not needed.

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

Curtiss requested to be put on the next agenda for a presentation to Commissioner's Court concerning the drainage issues.

13. Adjournment.

President Bruce Tesch adjourned the meeting at 7:29 pm.

Vice President
President:


Attest
Secretary:
