

Minutes
Columbus Community and Industrial Development Corporation
Board of Directors Meeting

The Columbus Community & Industrial Development Corporation met in Regular session on Monday, **March 20, 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 (arrived at 6:.37 pm)
Board Member	-	DyAnn Lauzon
Board Member	-	Byron Marburger
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 6:35 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 February 2017 Financial Statements.
- c) Approval of Regular Meeting Minutes for February 20, 2017.

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

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

The motion passed.

4. Citizens' Presentations and Comments.¹

There were no comments or presentations.

Joel Usher arrived at 6:37.

President Bruce Tesch moved to item #9 on the agenda.

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

Manuel Murga from Acorn Seekers was present at the meeting.

Curtiss stated that Acorn Seekers financials were submitted to the CCIDC Financial Committee for review. Andy Nunmaker and Mr. Werland are on the committee. Mr. Werland was not present at the meeting, but sent a report, which is attached to the minutes. Andy stated that he went through the application and financials and had an extensive conversation with their banker. The banker had glowing things to say about Acorn Seekers: they were easy to get along with, they provided any information when asked and they have a line of credit that has barely been used because of a significant backer. Acorn

Seekers is a foreign company, so they are vetted more severely than a US company. Andy said he did not have any issues with Acorn Seekers financials, they have strong financial backing and that everything looked good. Curtiss stated that Mr. Werland also spoke well of the company. Curtiss asked Mr. Murga if the utility needs/usage from the application had been submitted. He did not realize it had not been received, so he was going to check on it. Donald stated that the main utility concern was the wastewater discharge.

Curtiss Schonenberg made a motion to accept Acorn Seekers project application, with the provision that the utility needs/usage was given to Donald Warschak. Byron Marburger seconded the motion. The vote was as follows:

Ayes: Gobert, Lauzon, Schonenberg, Nunmaker, Marburger, Usher and Tesch
Absent: none

The motion passed.

5. City Manager's Report: Sales Tax

City Manager, Donald Warschak, stated the March sales tax revenue was up about \$1,000 from last year's same time period. The CCIDC's portion of sales tax revenue was \$34,302.57, which reflects sales tax collected in January. The County and Weimar also saw an increase in their sales tax revenue over the same time period from last year, while Eagle Lake's revenue was flat.

6. Discussion and Action, if necessary, regarding the rezoning of the 53.24 acres at the Crossroads Business Park.

Donald Warschak stated the property that was recently annexed into the City comes in as a residential status. The CCIDC has to petition the City to change the zoning from residential to industrial. There will be no cost to the CCIDC to rezone the property.

Lori An made a motion to request the City to rezone the 53.24 acres from residential to industrial. Joel Usher seconded the motion. The vote was as follows:

Ayes: Gobert, Lauzon, Schonenberg, Nunmaker, Marburger, Usher and Tesch
Absent: none

The motion passed.

7. Discussion and Action, if necessary, regarding a Community Development Grant application request.

A Community Development Grant application from the Colorado County Commissioners Court was discussed. The County is requesting \$8,426.90 for a Christmas tree for the Courthouse and Square Lighting Project. Lori An asked about this grant being outside the normal time frame to accept grant applications. Donald replied that there will always be special projects that come up throughout the year. Curtiss said this application was submitted and approved by attorney Cary Bovey. Lori An stated that Columbus will get the majority of the benefits from this project.

Lori An Gobert made a motion to fund the \$8,426.90 for the Christmas tree. DyAnn Lauzon seconded the motion. The vote was as follows:

Ayes: Gobert, Lauzon, Schonenberg, Nunmaker, Marburger, Usher and Tesch
Absent: none

The motion passed.

8. Discussion and Action, if necessary, regarding the amendment of the Business Improvement Grant application

Byron Marburger made a motion to change the Business Improvement Guidelines. In Section 2, subsection (d) will be added and will read " The collective amounts of (a) Facade Improvement, (b) Sign Improvement, and (c) Property Improvement shall not exceed \$7,500." Section 5(a) will read "Applications will be filed with the CCIDC administration one week prior to the next regular meeting or at such special Board meeting that may be called." Curtiss Schonenberg seconded the motion. The vote was as follows:

Ayes: Gobert, Lauzon, Schonenberg, Nunmaker, Marburger, Usher and Tesch
Absent: none

The motion passed.

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

Curtiss stated that as per the directives from the last meeting, there was supposed to be a meeting with the County, Union Pacific and TG Mercer. There was a meeting with Commissioner Kubesch and Ty Prause. Mr. Kubesch said he spoke with the original engineer for the project and he said there was not a flood issue. Lori An stated that when the road was built, there was not a drainage issue, but there is clearly a drainage issue now. She said everyone is a little responsible and blame cannot be put on any one entity.

11. Discussion and Action, if necessary, regarding the extension of the E'Kabel project.

Curtiss stated he contacted Juan Torrealba with E'Kabel. They want their project to move forward and want to build in Columbus, so they offered to pay for half of the drainage project if the Board relaxes some on their contract. They want an extension that they can work with and drop the number of employees from 24 to 8. Curtiss stated he couldn't speak for the Board. He said the Board may negotiate, but that was probably not an attainable number. Andy asked if they are scaling down their employees from 24 to 8, then are they scaling their whole operation down? Curtiss said the employee numbers were only a part of the contract. The amount for building and infrastructure is still where it was. There was discussion on the consultant for the drainage project because he works for the county and CCIDC and there could be a conflict of interest. Bruce said he was hired to do the job for us and it is his responsibility to tell us the problem, regardless of who he works for. Donald stated that the scope of the project was to fix the drainage. Joel said that we originally had him come to fix the drainage, not to figure out how much the county road impacted the problem.

Byron stated that for \$1 million, E'Kabel's problems would go away and our park drainage would go away. Bruce said not 100%. Donald said it would take care of what we have out there now. Other projects, like going under the roads, retention ponds, and further development westward, would cost more. Bruce stated that E'Kabel now has 23.5 acres tied up, but how much do they really need right now? We would like some of that property freed up for potential tenants. Donald suggested that they take 10 acres and the remaining acreage would have a 10 year option. If that 10 years expires and it is not used, then the land comes back to CCIDC. Bruce said that if we are negotiating, we want to free up 50% of their property that they may never use. On the employee count, Bruce said he is flexible on the employees. If we get 50% back, then we might put someone there and that is more employees, but we can't do that if we don't have the option to get the land back. Andy said that if we would get 50% of the property back, that would bring their employees down to 12 and they are putting up \$450,000. The bank was counting on the land as collateral for their loan, so that could impact their ability to finance.

Byron Marburger made a motion to give Bruce Tesch the authority to counter E'Kabel with a reduction of the land by 50%, reduction of the required employees by 50% and they contribute 50% of the drainage and the remaining half of the property has a 5 year option to use the land. Lori An seconded the motion. The vote was as follows:

Ayes: Gobert, Lauzon, Schonenberg, Nunmaker, Marburger, Usher and Tesch
Absent: none

The motion passed.

Bruce stated that an extension was not discussed and Curtiss said we will not know about an extension until we hear back from E'Kabel on the above stated motion.

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

There were no interested companies at this time.

13. 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.

14. 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.

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

Curtiss said that the state will be doing a drainage study on the ditches around the Glidden area. Lori An asked for KWI's employee numbers for the next meeting.

15. Adjournment.

President Bruce Tesch adjourned the meeting at 7:35 pm.

President:



Attest

Secretary:

