

Minutes
Columbus Community and Industrial Development Corporation
Board of Directors Meeting

The Columbus Community & Industrial Development Corporation met in Regular session on Monday, **February 20, 2012** 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
President Elect	-	James Weishuhn
Treasurer	-	Matt Sprague (absent)
Secretary	-	Elizabeth Flint
Board Member	-	John Mau
Board Member	-	Steve Woodall (absent)
Board Member	-	Lori An Gobert
City Manager	-	Donald Warschak
City Secretary	-	Linda Lakich
Assistant City Secretary	-	Kayla Duncan

1. Call to Order.

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

2. Pledge and Invocation.

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

3. Consent Agenda

a. Approval of invoices.

Curtiss stated that there were only two invoices and asked Assistant City Secretary, Kayla Duncan to explain what they are. Kayla Duncan explained that the first was the regular city utility bill and the other is for a filing fee. She stated that for the second one she did not have an invoice, but instead had the instruction for the report that she is filing with the Secretary of State to change the officers for CCIDC and that it was just \$5.00.

Curtiss Schonenberg asked if there were any questions on the invoices. There were none. Curtiss Schonenberg stated they would approve the consent agenda as a package.

b. Approval of January 2012 financial statements.

There were no questions.

c. Approval of regular meeting minutes for December 19, 2011.

There were no questions. Curtiss Schonenberg stated that he read those and thought they were in order.

d. Approval of regular meeting minutes for January 23, 2012.

Curtiss Schonenberg stated that in Item 9 it is a little ambiguous as to if James Weishuhn actually made a motion. He said that "It stated that 'James Weishuhn stated that he thought they needed to make a motion to advertise for bids for clearing'." Kayla Duncan stated she had re-listened to the meeting and that was how it happened. Curtiss Schonenberg stated that he felt like they needed to clarify that a

bit. James Weishuhn stated that, "For the record it was my intent to make a motion." Curtiss Schonenberg said that was fine. Elizabeth Flint asked if they should make that an amendment to the minutes. Curtiss Schonenberg stated that he thinks they need to do that and instead of "James Weishuhn stated that he thought they needed to make a motion..." we need to correct that to "James Weishuhn made a motion..."

e. Approval of special meeting minutes for February 13, 2012.

Curtiss Schonenberg stated that this was a short meeting that went into special session and that he thought they looked to be in good order.

Curtiss Schonenberg stated that with the exception of the corrections on the regular meeting of January 23rd, Item 9, he would entertain a motion to approve the consent agenda as amended.

Lori An Gobert made a motion to approve the consent agenda as amended. James Weishuhn seconded the motion. The vote was as follows:

Ayes: Schonenberg, Weishuhn, Flint, Mau and Gobert

The motion passed.

4. Citizen comments.

There were no citizen comments.

5. City Manager's Report: Sales Tax.

City Manager, Donald Warschak, stated that the sales tax collections for February reflect December's actual collections. He stated that the proceeds CCIDC received for the sales tax for February is \$41,988.52 and this compares to last year at the same time with \$39,434.64. He stated that we are well above the projected budget line for sales tax revenue based on our current twelve (12) month average. Comparing Columbus to the four (4) largest cities in the state, he stated that San Antonio, Houston, Austin and Dallas all saw increases in their sales tax collections. Comparing Columbus to our neighbors in the county, he stated that Colorado County, Weimar and Eagle Lake all saw increases in their sales tax revenue. He asked if there were any questions on sales tax. There were none.

Curtiss Schonenberg asked Donald Warschak to bring the Board up to speed on the water tower. Donald Warschak stated that it's finished, they have it lit, and they are in the process of filling it up but the drain valve on it is leaking and they have to replace it. Because of the rain they have not been able to get in there and replace it, but Donald Warschak stated that hopefully by the end of the week it will dry out and they will be able to get in there and make the repair and then get it back in service. Curtiss Schonenberg stated that at night, when it is lit, it is very impressive. Curtiss Schonenberg asked if there were any questions of the city manager.

6. Discussion and Action to award bid for grazing lease at Industrial Park.

Curtiss Schonenberg stated that as per the last meeting, we talked about putting bids up. He stated that the bid was written in two parts, the bid was complete for a lump sum for the 53 acres and one for root plowing. Curtiss Schonenberg stated that Brushline Dozer Works, Scott Kleimann, Texas Land Services, and Schomberg Dozer Service placed bids.

Elizabeth Flint asked where they are on the clearing that Brushline Dozer Works is doing now and if they had finished it. Curtiss replied that they were not finished and that when the rain hit they were shut down. He stated that he had the west side about half finished on tract D. Elizabeth Flint asked if there was a days limit on that. Curtiss Schonenberg replied that he did not think there was a time limit on it. Donald Warschak stated that he would have to go back and see, but that they would grant rain days associated with it. Elizabeth Flint stated that had it been a bigger operation they could have gotten in there and done it in two or three days so that's something to consider. Lori An Gobert asked if the Board knew anything about Schomberg Dozer Service. Curtiss Schonenberg replied that they are out of LaGrange, that he's done quite a bit of work around here, and that he's a larger contractor that has more people and larger equipment than Brushline Dozer Works.

Elizabeth Flint stated that she is not in favor of spending an additional \$15,000.00 to root plow because she thinks the problem can be taken care of with herbicides at less than \$15,000.00. She stated that even if they do root plow they are still going to need to use herbicides. Curtiss Schonenberg stated that he had the opportunity to talk to a couple of dozer operators and they said that as much rain as we had they should be able to get the weesatch out a lot easier now because they can pop the whole bush out almost roots and all. He stated that he was in agreement with Elizabeth Flint in that respect and that he thought dozing it would be all they needed to do right now. He also stated that if they lease it out, they would have weesatch control built into that lease. Curtiss Schonenberg talked about possibly have the same lease situation that they did on the land where KWI is now located, in that they might have to pay someone to lease the land if the lease is tied to a brush maintenance contract.

Lori An Gobert stated that she thought she was missing something and asked why they are clearing that land. Elizabeth Flint stated that the choice was fence with no clearing or clear and use for hay. Curtiss Schonenberg explained they are still working towards the agricultural exemption. Lori An Gobert stated that she knew that, but asked what does clearing the land do. Curtiss Schonenberg explained that clearing it would allow it to be used for hay and that hay constitutes an agricultural production and so it would work towards the agricultural exemption.

James Weishuhn stated that, with respect to skipping root plowing, he agreed with what Curtiss Schonenberg was saying and that he was not a big advocate of using chemicals, but that as badly as it is affected now we'll have to. He stated that he also agreed that they would probably be able to get most of the roots out with conventional means and that even if they root plow there will be fragments left and they would have to do a chemical treatment probably anyway. Curtiss Schonenberg stated that what is good about that is that it can be done with spot treatment.

Elizabeth Flint stated that she did not want to have to pay someone to make hay on their land. James Weishuhn stated that he thinks they will find someone who will take it at cost or for the privilege or something and that he did not think they would have to pay anyone. Curtiss Schonenberg agreed with him and stated that he just made that point because they had gotten into that situation with the maintenance contract on the tract where KWI now is.

Lori An Gobert asked at what point they would be able to start the clock ticking on the agricultural exemption. Elizabeth Flint stated that it would start on January 1st of this year and that this would count as the first year.

James Weishuhn talked about a benefit of what they are doing might be that they may find someone who will take it before the five (5) years needed to receive the classification as agriculture.

James Weishuhn stated that the agenda item says bid for grazing lease and that this is not really a grazing lease that is in question here, it's a clearing contract. Lori An Gobert asked if they could take action on it. Curtiss Schonenberg stated that because of the fact that they changed their direction at the last meeting and it was discussed in the minutes as such that they would probably be okay. Donald Warschak stated that no one is going to be out there doing any dozing work in the next 30 days. James Weishuhn then asked if they had to have payment bonds or performance bonds. Donald Warschak replied no, but they would still require insurance. James Weishuhn asked if these were bids or quotes. Donald Warschak replied that they are written bids. James Weishuhn asked if there was any language stating how long the bids were good. Donald Warschak stated that he did not think he had a date that said 60 days or 30 days.

James Weishuhn asked if basically are they are going to say at this meeting that Brushline Dozer Works is the apparent low bidder. Lori An Gobert stated that she didn't know if that is who she would necessarily vote for. James Weishuhn asked why. Curtiss Schonenberg stated that they are just looking at the original lump sum bid amount. Elizabeth Flint stated that she believed they should consider the speed in which they can get it done. She asked if Brushline Dozer Works was a one man operation and Curtiss Schonenberg replied in the affirmative. She then stated that because of that it is going to take them considerable time and could conceivably go into the summer. Curtiss Schonenberg stated that he did have an opportunity to talk to Brushline Dozer Works and that he said as soon as it is dry enough he would give that priority. Elizabeth Flint asked if he would abandon the project he has right now until this is complete. Curtiss Schonenberg stated that he would give this project priority. John Mau asked if he was working on a project for CCIDC right now and if he was going to abandon that to do this. Curtiss Schonenberg stated that he would do that. John Mau asked if that is what they want and how far along he is in the other project. Curtiss Schonenberg replied that he had the north part cleared and that he was on the west side when the rains hit. Curtiss Schonenberg stated that he had to finish the west side and then complete the east side.

Lori An Gobert stated that the two bids for 60 and 90 days are also the highest, so for her those are out. She continued on to say that she would like to keep the money local, but they have been awarding an awful lot of bids to Brushline Dozer Works and at some point she wants to make sure it does not look suspicious. Elizabeth Flint stated that she tells everyone that Curtiss abstains from voting. Lori An Gobert stated that she thinks sometimes you have to avoid the appearance of evil. She also stated that the bids are close, that Brushline already has a project with CCIDC, and that getting a larger firm in with a little bit more equipment and getting it knocked out may be an alternative. Lori An Gobert stated that this was just her opinion and that they could not make a motion on it any way.

Curtiss Schonenberg agreed and stated that it would have to be brought up at the next meeting because of the fact that it is listed as a grazing lease instead of a clearing bid. Curtiss Schonenberg asked Donald Warschak to contact Brushline Dozer Works and Schomberg Dozer Service to see how quickly they can get in there and how quick it would take them to do that.

Elizabeth Flint asked if it would be beneficial if they voted on it before next month in a special meeting. Curtiss Schonenberg stated that he was hoping to get it as quick as possible because hay season is coming up. Elizabeth Flint asked if they would be willing to have a short meeting. Lori An Gobert asked how long they thought it would be before

anyone could get in there. Donald Warschak stated that it could be up to thirty (30) days if it is really wet.

Lori An Gobert made a motion to table Item 6 on action to award bid for grazing lease at the Industrial Park. Elizabeth Flint seconded the motion. The vote was as follows:

Ayes: Schonenberg, Weishuhn, Gobert, Flint and Mau

The motion passed.

7. Discussion and Action regarding updating the CCIDC marketing.

Curtiss Schonenberg stated that at the last meeting Lori An Gobert wanted this on the agenda. He stated that he would let her bring up any concerns she had and then him and Donald were going to talk about a publication.

Lori An Gobert stated that since they have no signed real estate agent, they have no materials and when you go to the website it is not very helpful to an outsider. She stated that at bare minimum they need to get the map that shows what's available less KW International because that is a big chunk of the park and everything we have still shows it as being available. She stated that we have not done anything to update our material and to her it is kind of an issue that you don't know what's available or what the price is. She added that the stuff that is on there is stuff that Tonya Britton put on there a long time ago.

Elizabeth Flint asked if Lori An Gobert thought they needed hard copies or to update the website. Lori An Gobert stated that she thought they needed to do both. James Weishuhn stated that they will end up with both if they update the website. Lori An Gobert stated that she believed this is kind of a critical component and we don't have anyone working on materials.

Lori An Gobert stated that she did not think it would be a big project and we have money in there for some of this since they are not paying for an advertising firm and they don't have a listing.

Elizabeth Flint stated that she would really like to see the website updated. Curtiss Schonenberg and James Weishuhn stated that they agreed.

Curtiss Schonenberg asked what can they do and if there was a service that would help them with that. Lori An Gobert stated that there are a variety of services. Lori An Gobert stated that they are under contract with a pretty good web designer who seems pretty timely and seem to have a lot of resources.

Lori An Gobert stated that they need to get their listings updated in the real estate world and on the website. She also stated that their current web developer is EZtask.

Curtiss Schonenberg stated that he was in favor of that. Elizabeth Flint stated that she was in favor of having someone update the website, but she is not in favor of signing with another real estate agent. James Weishuhn agreed that he did not want to sign with another real estate agent either because both of their last two clients went around the real estate folks.

Curtiss Schonenberg stated that he thought it was the consensus of the board that they get EZtask to help.

Elizabeth Flint stated that before they vote on all of this, she noticed that the CB Richard Ellis signs are still out there (at the Industrial Park) and asked if they were allowed to yank them out and store them some place. Kayla Duncan stated that she called Mr. Pittman in January after the meeting the next day. She said she talked to Mr. Pittman and he said he would get back with her and give her a time frame for their removal, but she never heard back from him. She stated that she then e-mailed him and he replied that they should have been picked up weeks ago and as soon as he was able to get some information he would let her know.

Elizabeth Flint asked if they could ask the city to go out there and yank them out of the ground. Curtiss Schonenberg stated that all they had to do is take the panels off. Donald Warschak stated they could also cover them with black plastic.

Lori An Gobert suggested that Kayla Duncan attempt to talk to George Jones with CB Richard Ellis. She also suggested that they should call him out of courtesy.

James Weishuhn asked Linda Lakich if they would be able to help EZtask with any information they may need. City Secretary, Linda Lakich, stated that it may not happen immediately, but it will happen. James Weishuhn talked about putting up new photos of the Industrial Park after the land gets cleared. He also mentioned that he wanted to be able to add pages for new information in the future.

Lori An Gobert asked if they wanted to put a budget for EZtask. James asked for the Board to get a quote.

Elizabeth Flint made a motion to contact EZtask for a quote on updating our website. James Weishuhn seconded the motion. Curtiss Schonenberg then asked if there was any discussion. There was none. The vote was as follows:

Ayes: Schonenberg, Weishuhn, Gobert, Flint and Mau

The motion passed.

Elizabeth Flint asked if they needed to have a motion about the signs, to cover them with plastic. Lori An Gobert stated that she would. Curtiss Schonenberg stated that it probably wouldn't be a bad idea.

Elizabeth Flint made a motion that tomorrow the CB Richard Ellis signs will be covered with some kind of plastic to make them unreadable and if they do not retrieve their signs in two weeks they will be removed. John Mau seconded the motion. Curtiss Schonenberg then asked if there was any discussion. There was none. The vote was as follows:

Ayes: Schonenberg, Weishuhn, Gobert, Flint and Mau

The motion passed.

Curtiss Schonenberg stated that they were contacted since the last meeting by an individual named Scott vonCannon who's worked with the Journal of Communications and he represents this Texas Wide Open for Business publication. All Board members were provided a copy of Volume 2 of the 2011 Edition of the Texas Wide Open for Business publication to review. In addition, please see the rate sheet attached to these minutes for further information about add rates in this publication. Curtiss Schonenberg stated that any time someone contacts the state offices this publication is given to them. He directed the Board members to look at several ads in the Texas Wide Open for Business publication they were provided. He stated that he did not know if they would be interested in doing something like that, but the individual did contact us and they did sit

down and have a short meeting with him. He stated that this was a way to get their name out to a lot of folks without being tied to a national marketing firm like CB Richard Ellis. Donald Warschak talked about how the publication is given to companies interested in moving to the state when they call the Governor's Office.

Elizabeth Flint asked if anyone knew how much it will cost to have the website updated. The Board members agreed that it would be at max \$2,000.00 to \$2,500.00. Curtiss Schoenberg stated that he believed they have a little under \$10,000.00 budgeted for marketing.

James Weishuhn stated that they do not have any publication information in the front of the magazine. He then asked who would put their ad together that would go in the publication and if they would have to pay someone to put that together. Curtiss Schoenberg stated that it was his understanding that they have an ad group that would help us with that. James Weishuhn stated that they need to find out. Lori An Gobert stated that on the rate sheet it says that it is \$100 per hour for JCI-produced ads.

James Weishuhn asked if they had an electronic version of the publication. Curtiss Schoenberg stated that they do.

Elizabeth Flint stated that the publication is a little bit confusing to her and Lori An Gobert stated that she could not figure out who their target audience is. James Weishuhn thought it was very well done as far as the marketing and that he thought they would get some exposure from it.

Donald Warschak stated that they can also use this publication for their marketing. Curtiss Schoenberg added that they will get as many of these as they want. Elizabeth Flint stated that handing this out to a prospective client would tell them about all the other places. John Mau stated that we would be one (1) of 150 pages in there.

Donald Warschak opened the publication's website (www.texaseconomicdevelopmentguide.com) for everyone to view, talked about some aspects of the website, and tested the website's search abilities. Elizabeth Flint stated that she did not like the website.

Looking back at the publication Lori An Gobert pointed out that one of the advertisements was funded by the city's HOT funds. James Weishuhn stated that it made sense.

Lori An Gobert stated that they should have come to the Board where they would have time to pull this together. Lori An Gobert stated that she would like more time to investigate this. The Board agreed that was a good point.

James Weishuhn stated that they need to get their website straightened out first. Lori An Gobert stated that she thought they should do some research and look at it in their budget cycle for next year. She added that maybe they should look into using some HOT funds, at least match it. Curtiss Schoenberg stated that there are too many unanswered questions.

Curtiss Schoenberg asked Kayla Duncan to make a few phone calls to some of the cities who have advertised and see if it is helping. He stated that he would like it left on the agenda as marketing. Curtiss Schoenberg stated that they would not be acting on it and by doing so they would be bypassing this year's cycle. Lori An Gobert stated that they should have contacted us sooner.

No action was necessary.

8. Discussion and Action regarding an update on other potential prospects at the Industrial Park.

Curtiss Schonenberg stated that another individual has contacted the Board. He explained that it is a real estate firm out of Houston that is looking for some acreage in the park, possibly needing rail service, and that the company specializes in drilling fluids. He stated that Donald Warschak e-mailed them back a plat and that he was in Houston this week and stopped by to talk to them. He stated that they asked about pricing per acreage and incentive packages. He continued on to say that they would put together a package and get back with the Board. Lori An Gobert asked how many acres they are looking at. Curtiss Schonenberg replied five (5) to ten (10).

Curtiss Schonenberg stated that he had talked to the people with E'Kabel and that they are looking for any possible ways of keeping their cost down so as far as tax abatements are concerned he had it put on the agendas for the City and the Groundwater Conservation District.

Curtiss Schonenberg stated that he did not see the need to use the Executive Session at this meeting. Elizabeth Flint stated that she a few things she would like to discuss in Executive Session.

Curtiss Schonenberg asked if there was anything else that needed to be discussed. He stated that he has not heard from KW International. Lori An Gobert stated that they told her it would be March before they heard anything.

No action was necessary.

9. Discussion and Action regarding the Business Improvement Grant Program.

Curtiss Schonenberg stated that the reason this is on there is that during the meeting that was at the Opera House concerning the historical situation one of the men talked about this. He stated that the man also made mention to the fact that most people who have these have caps on them and that CCIDC does not have a cap. He then asked if they want to establish a cap.

Elizabeth Flint stated that she read the grant carefully and it seemed that the Board gets to approve whatever they want so they are protected. The board talked about adding a cap into the existing cap of up to but not exceeding 50% of the improvements.

Elizabeth Flint stated that she thought they were protected by the wording of the current document and that they do not need a cap so they would have the opportunity at a later date to decide on a certain amount without being restricted by an additional cap.

James Weishuhn asked if, in the budget, they have a "pot full of money" that we can grant out of. Lori An Gobert replied in the affirmative.

Lori An Gobert stated that she agreed with Elizabeth Flint.

Curtiss Schonenberg stated that they would leave it as is.

No action was necessary.

10. Discussion and Action regarding Kerry R. Gilbert study.

There was nothing to report. No action was necessary.

11. Discussion and Action regarding KW International.

There was nothing to report. No action was necessary.

12. Executive Session: In accordance with Texas Government Code, Subchapter D, Section 551.072 deliberations about real property.

At 7:36 p.m. Curtiss Schonenberg closed the regular session and opened the executive session.

13. Reconvene into Regular Session and consideration and action, if any, regarding Executive Session, deliberations about real property.

At 7:51 p.m. Curtiss Schonenberg reconvened the regular session.

No action was necessary.

14. Discussion of items to be placed on future agendas.

Items to be placed on future agendas included:

Curtiss Schonenberg – CCIDC Marketing, Potential Prospects, Clearing bid, Kerry R. Gilbert, KW International, Automated Weather Observation System (AWOS)

James Weishuhn – None.

Elizabeth Flint – None.

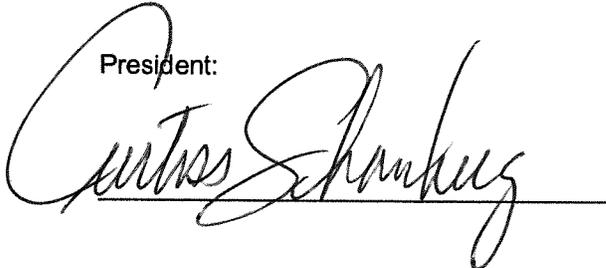
John Mau – None.

Lori An Gobert – None.

15. Adjourn.

President, Curtiss Schonenberg, adjourned the meeting at 7:53 p.m.

President:



Attest
Secretary:

