

Minutes
Columbus Community and Industrial Development Corporation
Board of Directors Meeting

The Columbus Community & Industrial Development Corporation met in Regular session on Monday, **March 19, 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 (absent)
Treasurer	-	Matt Sprague
Secretary	-	Elizabeth Flint
Board Member	-	John Mau (absent)
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 Schonenberg asked Assistant City Secretary, Kayla Duncan, to explain what the invoices were for. Kayla stated that the first one was for advertising the clearing bid in the Colorado County Citizen on February 1st and 8th of 2012 and the second invoice was the normal City of Columbus utility bill. Curtiss asked if there were any questions concerning those invoices.

b. Approval of February 2012 financial statements.

Curtiss stated that they seemed to be in good order and asked Kayla if there was anything that they needed to be made aware of. Kayla responded that there was not.

c. Approval of regular meeting minutes for February 20, 2012.

Curtiss stated that they looked to be in good order.

Matt Sprague made a motion to approve the consent agenda as presented. Elizabeth Flint seconded the motion. The vote was as follows:

Ayes: Schonenberg, Sprague, Flint and Gobert

The motion passed.

4. Citizen comments.

Curtiss Schonenberg stated that there were a few people signed up for citizen's comments. He then told those individuals that if they would like to wait until their agenda item came up that would be fine. They signaled that they would wait until their agenda item (Item #7).

5. City Manager's Report: Sales Tax.

City Manager, Donald Warschak, stated that in March 2012 the CCIDC's portion of the sales tax was \$25,991.28 compared to March of last year with \$25,533.69. He stated that we are still higher than what we were last year at the same time. Curtiss stated that for clarification, this was January's sales tax that we are receiving in March. Donald also stated that we are exceeding the figure budgeted for sales tax revenue. Looking at the four other large cities in the state, Donald stated that all four cities, Austin, Dallas, Houston and San Antonio have seen an increase in their sales tax revenues. He also stated that our neighbors in the county, Eagle Lake, Weimar, and Colorado County overall are all seeing increases in their sales tax revenue as well.

Donald stated that the road at the Industrial Park was getting rutted up, especially for the North bound traffic. He stated that he talked to TxDot and they are going to take a look at it. Elizabeth Flint stated that it has been repaired.

Elizabeth Flint stated that she noticed the CB Richard Ellis signs were still up and that the covers had been blown off of them by the wind. She wanted to know if they could just completely remove those. Donald stated that we could because Kayla had sent them a notice and given them a deadline to get them out and that it had past last Monday. He stated that they would pull them out and store them at the sewer plant at the Industrial Park and if they come out they can pick them up at that time.

6. Discussion and Action to award clearing bid at Industrial Park.

Curtiss Schonenberg stated that because of how this item was stated on the previous agenda they were not able to take any action on it. Curtiss then explained the different parts of the bid to the Board.

Curtiss stated that per the last discussion they had, they talked about not having the root plowing because they had been informed that if they do it now with as much moisture as we have had, you would probably be able to get a pretty good clearing and pop out the roots of the weesatch right now. Curtiss asked what the wishes of the Board were. Curtiss also mention that there was some discussion, that because of Brushline Dozers size, he might not be able to do both projects in a timely manner and that it looks like they are awarding all of their bids to Brushline right now. Curtiss added that he has been presenting the best bids.

Lori An Gobert stated that they should only do the first phase and they should not do root plowing right now because it is so soft right now and when they go in to bull doze they may be able to remove those roots.

Curtiss stated that there are two parts to the first item that he would like to discuss. The first being that he would like to get a consensus of the Board as to what they want to do as far as awarding the bid. Curtiss stated he would also like to talk about the 80-100 foot buffer zone between the highway and the fence line which belongs to the state. He continued by saying that it is also grown up and that if we clear our part and do not clear the state's part then it's going to be obstructed. Lori An Gobert asked for clarification of where he was talking about. Donald stated that it was as you were approaching the river bridge, back towards the Ag Complex, along the highway frontage. Donald added that he spoke with James Untermeyer with TxDOT and that he was told it was fine if we wanted to go ahead and strip all of that brush out in the state right-of-way while we were clearing our property. Donald added that they would do this so that when people drive by they will be able to see the cleared property without it being obstructed by brush. Elizabeth Flint stated that she thought the purpose of clearing was to use it for hay. Curtiss stated that they are still talking

about the 53 acres, and that they are still doing this to produce hay for the Ag exemption. Curtiss added that he wanted to bring this up so that if they want to get some exposure to that property from the road as well. Elizabeth Flint asked if the east side of the property is where the river backs up into the low part of the property, between the river bridge and the high river bank of the property. Curtiss disagreed and stated that it does not back up there. Elizabeth Flint replied that according to the plat maps it does. Curtiss replied that it would if it got extremely high. Elizabeth stated that for that reason they might want to consider erosion and that they might not want to clear that out.

Curtiss asked what the Board's opinion was on who they should award the bid to. Matt Sprague stated that they should award to Brushline if they are the low bidder. Lori An Gobert stated that some of them were talking about is that they have been somewhat exclusively awarding bids to Brushline and there is an affiliation with Curtiss even though he's been impartial and that some of the Board members have been hearing comments that there's favoritism and so they are trying to avoid the appearance of favoritism.

Donald pull up a map on the projector for everyone to see, with regards to clearing the state right-of-way, Lori An Gobert wanted to know how much of the land belongs to the state and how many acres they would have to add to be cleared. Curtiss used the map to explain what area is a state right-of-way. Curtiss asked if there were any questions. Lori An Gobert stated that it is mighty nice of them to let the Board clean it up for them. Curtiss said that it was an option on the Board's part and that they do not have to do it. He continued by saying that it may be beneficial for them to clear it or at least part of it so that people can see what's back there because the whole time they have it as an agricultural project to gain an Ag exemption it's still for sale.

Curtiss stated that there were two bids he thought the Board should consider, the one from Brushline for \$23,850 and the one from Schomberg Dozer works for \$31,000. He continued by saying that however they address the state property is up to the Board. Lori An Gobert stated that her issue was that they have been awarding bids to Brushline and as she mentioned at the last meeting she is starting to personally hear some negative feedback that it looks a little biased. She continued by saying that Brushline by far has the better price, Schomberg has the next best price, they both have the same amount of days to complete, but that the advantage is that Schomberg has a bigger service and a little bit more equipment. Lori An Gobert stated that she is relatively okay with either of those. She also stated that her personal opinion was that they may not need to do that entire run of the TxDOT right-of-way, but if they could do a portion that gives visibility that would be reasonable. Curtiss stated that he thought they needed to do a least part of it. Lori An continued by saying that if they are going to do that they need to get a sign that says that there is riverfront acreage for sale. Elizabeth Flint stated that the words riverfront acreage would be very appealing even though it floods. She also said that she thought they should just do the first part and if they found they needed to root plow, they could do that at a later date.

Matt Sprague asked how they are going to handle adding that section to the bid. Curtiss stated that he recommended getting CCIDC's property cleared up and start working towards getting the Ag exemption and go from there. Matt Sprague stated that he was okay with that. On the second issue of who we award it to, he stated that he is more of the opinion that if someone is doing a good job, which it appears Brushline is doing, and they are continuing to give us the low price, the only response that he would have for anyone who complained is who in their right mind would spend an extra \$8,000 for the same job. He continued by saying that if there is a positive behind it, such as they are larger, then he guessed that would be justifiable. Elizabeth Flint asked if Schomberg is a much larger company. Donald stated that he is not familiar with Schomberg. Curtiss Schomberg stated that he is a bigger operation than Brushline. Matt Sprague asked if there was anything that the Board was unhappy about with Brushline. Elizabeth Flint asked if he had

finished the other work he had for CCIDC. Lori An Gobert stated that he cannot. Curtiss Schonenberg stated that he cannot get in there because there is water still standing. Curtiss Schonenberg stated that he thought either company could probably get into the area of the current bid to start clearing. Matt Sprague asked if, as far as they knew, they were not unhappy with the work they have done. The Board agreed that they were not unhappy with their work. Curtiss stated that he believed both companies do good work. Curtiss stated that he will do whatever the Board thinks is in the best interest of the Board and City.

Curtiss stated that if there is some indecision and the Board felt the need to put it off, they can table the item again. Elizabeth Flint stated that they need to be able to get in there as soon as it gets dry enough. Lori An Gobert stated that she kind of knows the thoughts of some of the absent Board members and has verbalized them. Elizabeth Flint stated that she has also received unfavorable comments in town and that she had defended Curtiss at every turn by stating that he has abstained from voting, but nonetheless there is a perception in town. Lori An Gobert stated that originally she did not realize that they were not talking about doing the root plow and with the root plowing option they were fairly close bids. Curtiss asked if there was a motion, otherwise he recommended that they table the item. Matt Sprague stated that he did not want to make a motion because he has not gotten any negative comments and he is in a industry that bids on a competitive basis and that if they are the low bidder, they are the low bidder.

Lori An Gobert made a motion to award the clearing bid at the Industrial Park to Brushline Dozer Works just for clearing the set acreage without the option of the root plowing. Matt Sprague seconded the motion.

Elizabeth Flint asked if she abstained from voting will they still be able to award the bid. Linda stated that she is still here so they would still have a quorum, so she thought so and Donald agreed. Matt Sprague stated that it appears that Brushline might not have the manpower to handle this in the time frame that it needs to be handled with the amount of rain we are getting and that maybe the Board needs to add that if they can't get the work done in a reasonable timeframe then it would go to the other bidder that was considered. Curtiss stated that if he is awarded the bid it is with him saying that he can complete it in 45 days and if he cannot it is the option of the Board to give the bid to someone else. Elizabeth Flint stated that the problem is, if they go 45 days it might be pretty dry. Donald stated that the 45 days would start at the date the company was given the notice to proceed. Curtiss asked if there was any more discussion. The vote was as follows:

Ayes: None
Nos: Flint, Sprague and Gobert
Abstain: Schonenberg

The motion did not pass.

Matt Sprague asked if he could still talk about it. Lori An Gobert stated that they all want to move this forward. Curtiss stated that the prudent thing to do is move forward on the project and that he is not trying to push it through. He continued by saying that everyone he has talked to has stated that you want to pull out weesatch when it's moist because you get the whole root system with it. He also stated that as far as he is concerned both of the contractors are very good, the issue is the \$8,000 difference. Lori An stated that to her it is not just the complaints, it's also the amount of equipment and the other stuff as well. Matt Sprague asked if going with Schomberg would benefit them. Lori An stated that she did not know.

Curtiss Schonenberg stated that the issue is still on the table. Matt Sprague stated that he needs more information other than that people do not like it. He stated that he understands

why they do not like it, but the reality remains. Lori An Gobert stated that he does adequate work, the thing is what she has specifically heard is "Isn't it coincidental that somebody related to Curtiss always has the low bid and always gets the award" like they know they are the low bid. She continued by saying that she knows that is not how they do it, but it's a perception and this Board has been plagued with negative perceptions and they have done such a good job over the past couple of years of overcoming some of those. Lori An talked about how not doing the root plowing changes things because now there is a much bigger difference in the bids. She also talked about how they may only have a short period of time to get this done, where if they have all these project backed up that they have been waiting to tackle and then the ground starts getting hard and they are back at having to need root plowing. Matt Sprague stated that he thought that they needed more than just the three people present to vote on it. He continued by saying that the only thing he can go on is that they are the low bidder and the Board is okay with the work they have done so far. He stated that he cannot vote to give it to someone else just because people do not like it.

Lori An asked if they should try to have a special meeting. Curtiss Schonenberg stated that as a Board they have done everyone above, beyond, and to the point and the only response that they can have is that everything is done in open meeting and it is done the way it is supposed to be done. Elizabeth Flint stated that she would like to recognize the good job that Brushline Dozer Works has done for the Board in the past, but she would like to make the motion to award the bid to Schomberg Dozer Services because it is a bigger company and can probably do the job in a more timely manner.

Elizabeth Flint made a motion that they award the clearing bid at the Industrial Park to Schomberg Dozer Services and to recognize the good job that Brushline Dozer works has done for the Board. Curtiss stated that they would be recognized in the minutes. Lori An Gobert seconded the motion.

Curtiss asked if there was any discussion. Matt Sprague asked Elizabeth if she wants to award it to them because they are larger. She answered in the affirmative and because she believes they will be able to get it done quicker. Matt Sprague stated that he disagreed with that, but the only thing he has to go on is the job they have done in the past and he disagrees to change for that reason, but that it is okay and he'll vote how he wants to. The vote was as follows:

Ayes: Flint and Gobert
Nos: Sprague
Abstain: Schonenberg

The motion passed.

Lori An Gobert stated that for smaller projects she would like to use Brushline, but for this one they have a time sensitive issue and she does not want the ground to get hard and then them have to go back and root plow it. Elizabeth Flint asked for anyone who sees Brushline to give them the Boards compliments.

7. Discussion and Action regarding Automated Weather Observation System (AWOS) at airport.

Please see the attached packet that was handed out to the Board members. Clifford Wenske (Robert R Wells Airport manager), Charles Rogers (Colorado County Emergency Management Coordinator), and Paul Blymyer (Pilot) were in attendance to speak and answer any questions about the system. Clifford Wenske stated that TxDoT will pay 75% of the cost of the system so they have the opportunity to purchase the system and what they need from the CCIDC is the other 25%. Curtiss Schonenberg asked what the total cost of the system would be. Clifford responded that what they would need from the CCIDC is

\$14,434.50. Elizabeth Flint asked if they already had the money committed from TxDoT. Clifford responded that they have to have the matching money before they can get the money from TxDoT. Elizabeth asked if it was a grant. Clifford responded in the affirmative. Curtiss asked if that amount included it being installed and ready for operation. Clifford responded that that amount was for the "complete system". The Board members looked at the budget to see where the money would come from. Lori An Gobert asked if they could make a line item adjustment at this meeting or if they would have to wait until the next meeting. City Secretary, Linda Lakich, informed her it would have to be done at the next meeting, but it could be awarded at this meeting. Curtiss Schonenberg stated that if they award more than \$10,000 it would have to go before City Council, but they can make a motion to that effect.

Lori An Gobert stated that she did not know where the 16.8 jobs were coming from as reflected in the packet they were given. Charles Rogers stated that those jobs are all the jobs, both full and part time as well as contract workers, that the airport supports. Charles Rogers explained what the piece of equipment will do and that it is a critical piece of the puzzle in expanding Robert R Wells airport and turning it into a recognized regional airport. He stated that this piece of equipment opens up more than just weather.

With regards to expanding the airport, specifically the runway, Lori An Gobert asked if they had found land that will be accommodating border-wise. Clifford Wenske stated that they would have to purchase adjoining properties. Curtiss restated the question as is there property available to purchase to be able to expand into. Clifford answered in the affirmative.

Lori An Gobert made a motion to approve the amount of \$14,434.50 for the Automated Weather Observation System for the Robert R Wells Airport. Curtiss Schonenberg seconded the motion.

Elizabeth Flint stated that she was not sure this was an expenditure authorized by the Economic Development Act and before they vote on this she would like to consult with their attorney. Lori An Gobert and Curtiss Schonenberg stated that they both knew that this was an approved expenditure. Elizabeth Flint asked if they could give her an idea of the number of jobs this expenditure would allow the airport to acquire or retain. Charles Rogers stated that at this time he could not because this is just a piece of the puzzle, but he can say that there will be jobs created because of the demand the airport will experience along with the future expansion. Elizabeth asked how often the airport is used by business traffic as opposed the recreational use. Clifford stated that it was about 50/50. Elizabeth then asked what kind of business would be using the airport. Lori An replied by stating that oil and gas companies are currently using it and KWI might want to use it in the future. Charles Rogers added that Texas Bible Institute might also begin to use the airport. Elizabeth Flint stated that it would support some of our present businesses and some the potential future businesses. Paul Blymyer (pilot) stated that he flies for a charter company and that they are prevented from coming to Columbus to pick up people because they have to have AWOS and an approach. Paul Blymyer stated that with approaches and the AWOS the airport should see increased traffic.

The vote was as follows:

Ayes: Schonenberg, Flint, Sprague and Gobert

The motion passed.

Lori An Gobert stated that this will now have to go to the City Council for approval and next month the Board will have to do a line item budget adjustment.

8. Discussion and Action regarding updating the CCIDC marketing.

Curtiss stated that the Board had talked about this extensively at the last meeting and that they had talked about going to EzTask.com. Kayla Duncan stated that the way the website is set up, she can do all of the changes that she thought the Board was wanting so she did not see the purpose of paying someone else. Lori An Gobert stated that the only reason is that they have cushion in the budget and that while she thought Kayla could do many of the things they wanted, if they wanted to add some features and functionality to assist in the process. Lori An stated that if Kayla was comfortable doing it she was fine. Kayla just stated that she just needs to know exactly what the Board is wanting to do with the website. Lori An stated that she was wanting to get help with strategic marketing for the Industrial Park. She does not want to have to re-invent the wheel and if there is something that they have that will help us.

Linda Lakich asked if Kayla and herself could do what they can and then go from there. Lori An said as long as they can get it done in a timely-er manner because it has not been updated. Lori An stated that she would like to see KWI on there because they are not getting the advertisement and CCIDC is not getting the benefit of finally getting somebody else in there and then just having today's current information. Elizabeth Flint asked if Kayla had looked at other economic development websites. Kayla replied that she has not. Elizabeth recommended that she look at other websites. Lori An stated that she would like to see a page of available properties with all of the facts for the different tracts. Lori An stated that she would also like to upgrade their website listing. Lori An stated that she wanted it so that when people search economic development it comes up higher on the list and that they will have to pay a service fee to do a listing upgrade. Lori An asked Kayla to ask about "website optimization".

Elizabeth Flint asked if they were going to do anything with hard copy marketing materials right now. Curtiss stated that he thought the first thing they needed to do was get the website updated. Elizabeth agreed.

No action was necessary.

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

Curtiss stated that they had the group from Houston, which was discussed at the last meeting, through a real estate company. Curtiss stated that he had not heard any more about them. He stated that this is a potential drilling fluid company that was wanting to locate here. Donald stated that he had someone inquire about the park who was looking for 5 acres to do an oil recycling facility and so he sent them some information. Curtiss stated that they may need to get with them and see what their processes are to make sure it complies with their zoning restrictions.

No action was necessary.

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

Curtiss stated that the Historical Committee is moving along with their work. Donald agreed and added that the Gateway Committee are moving along with their project and looking at a master plan. Curtiss added that the Historical Committee has brought an ordinance to City Council.

No action was necessary.

11. Discussion and Action regarding KW International.

Curtiss stated that the ACC committee needs some engineering and they have not gotten that yet. Donald stated that he had talked to Donnie Templeton and Drymalla and they are putting together a package for KWI. He added that it is just a preliminary layout of the site. Lori An added that it is more significant in scope, that what they had originally showed the Board. No action was necessary.

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

At 7:51 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 8:00 p.m. Curtiss Schonenberg reconvened the regular session with the same individuals present.

Lori An Gobert made a motion to accept the proposal from E'Kabel and have the City Attorney draw up a contract to be executed. Elizabeth Flint seconded the motion. There was no discussion. The vote was as follows:

Ayes: Schonenberg, Flint, Sprague and Gobert

The motion passed.

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

Items to be placed on future agendas included:

Curtiss Schonenberg – E'Kabel, CCIDC Marketing, Potential Prospects, Kerry R. Gilbert Study, KW International.

Matt Sprague – No Comment.

Elizabeth Flint – No Comment.

Lori An Gobert – Line item budget adjustment.

15. Adjourn.

President, Curtiss Schonenberg, adjourned the meeting at 8:02 p.m.

President:


Attest
-Secretary: Vice-president
