

Minutes
Columbus Community and Industrial Development Corporation
Board of Directors Meeting

The Columbus Community & Industrial Development Corporation met in Special session on Monday, **June 18, 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	-	Steve Woodall
Treasurer	-	Matt Sprague (absent)
Secretary	-	Elizabeth Flint
Board Member	-	DyAnn Lauzon
Board Member	-	Joel Usher (absent)
Board Member	-	Lori An Gobert (absent)
City Manager	-	Donald Warschak (absent)
City Secretary	-	Linda Lakich
Assistant City Secretary	-	Kayla Duncan

1. Call to Order.

President, Curtiss Schonenberg, called the CCIDC meeting to order at 6:40 p.m.

2. Pledge and Invocation.

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

3. Consent Agenda

- a. Approval of invoices
- b. Approval of May 2012 financial statements.
- c. Approval of regular meeting minutes for May 21, 2012.
- d. Approval of special meeting minutes for June 11, 2012.

Curtiss Schonenberg gave an explanation for the invoices from the City of Columbus for utilities and Schomburg Dozer Service for clearing of land.

On the financial statements, Steve Woodall asked why the CCIDC was short \$26,726 versus the budget. City Secretary, Linda Lakich, stated that this was because they had already paid all of the debt payments.

Elizabeth Flint made the motion to approve the Consent Agenda as presented. Steve Woodall seconded the motion. There was no further discussion. The vote was as follows:

Ayes: Flint, Lauzon, Woodall and Schonenberg

The motion passed.

4. Citizen comments.

Michael Braden stated that he is wishing to work with the Board in order to acquire the 54 acres north of the Ag Complex at the Industrial Park. He talked about some of the plans he has for that property including putting in an event center of approximately 15,000 to 20,000 square feet. He stated that he is still working on the business model. He stated that the west end of the property is ideal for a 50 to 100 space RV park because the infrastructure is there. He stated that the area could be used for overflow from the fairgrounds. Curtiss stated that because it is not an agenda item it cannot be discussed by the Board, but that he can request for it to be an agenda item at the next meeting. Mr. Braden requested that it be added to the next agenda. Curtiss Schonenberg

requested that Mr. Braden bring a concise business plan with him to the next meeting and that he included financing information.

Chris Christensen encouraged and asked the Board to consider and investigate moving the City, to begin with, to natural gas fueled vehicles. He stated that he personally believed that is the future of vehicle energy in the United States. Mr. Christensen stated that he thought it was about half the cost per mile for natural gas as compared to gasoline and that it was much better for the environment.

Mr. Christensen continued on by stating that he read in the paper that Commissioner's Court recommended going ahead with the AWOS (automated weather observation system) that had been proposed. He stated that he had listened to be minutes from the CCIDC meeting when the AWOS was originally presented and that there was a lot of information given in a short period of time that was vague and unsubstantiated. He stated that at the Commissioner's Court the City Manager from Eagle Lake appear in support of the Columbus airport getting an AWOS and that this was because Eagle Lake would be able to use the Columbus AWOS due to their proximity to the Columbus airport. He stated that the Airport Advisory Board came to the consensus that further research needs to be done on airport priorities prior to committing to purchase any AWOS. He stated that he thought it would be wise to wait on the Airport Advisory Board to come up with a plan before the CCDIC puts that money towards an AWOS.

Curtiss Schonenberg stated that the sales tax revenues for June 2012 was \$28,590.72, roughly \$2,000 more than June of last year. Curtiss stated that the June revenues are actually from two months prior (April).

5. Recognition of reappointed and new Board Members and their terms of office.

Curtiss Schonenberg stated that the three Board Members' terms recently expired were John Mau, James Weishuhn, and Steve Woodall. He stated that John Mau and James Weishuhn had not wished to be considered for another term. He then announced that Steve Woodall had been reappointed to the CCIDC Board and that both Joel Usher and DyAnn Lauzon were the new Board Members. Curtiss gave a brief history of DyAnn's involvement in the community including being a past President of the School Board, that she had worked at the local hospital, and had been a past President of the Chamber of Commerce.

Skipped to Item #7.

7. Discussion and Action to appoint three (3) members to the Architectural Control Committee.

Curtiss Schonenberg stated that James Weishuhn had been the president of the ACC Committee and that this committee oversees the Covenants of the Industrial Park. Elizabeth Flint asked if the person has to be a Board member of CCIDC. Curtiss stated that the person does not have to be a Board member. Elizabeth Flint asked if James could continue to serve. Curtiss stated that he did not wish to do so.

Curtiss recommended appointing the City Manager, Donald Warshak, to the committee. He stated that he would like this to be done so that Donald can be a voting member of the Committee. Elizabeth Flint stated that he would be an ideal candidate, but because of his position with the City as City Manager she was apprehensive about that. Steve Woodall asked if he would be able to vote. Curtiss explained that as City Manager he cannot vote, but as a committee member he could vote. Curtiss stated that there is no one who knows the infrastructure of the Park better than Donald Warschak because he was the engineer that set the Park up. Steve Woodall asked what was the downside. Elizabeth replied public perception and that he could still be an advisor. Steve Woodall stated that it does not seem right because he's City Manager, but if there no "hard factor" why he shouldn't. Curtiss stated that there is nothing in 4B or the Bylaws that says he cannot. Curtiss stated that he would personally recommend Donald. Steve asked Elizabeth if she saw a downside

and she replied that she did; that she would rather see someone who is less invested in it professionally and emotionally and that it not be kept so "in house". Curtiss stated that they are doing the same thing when they appoint someone from the Board; that it would be the same perception. Elizabeth asked if they could think about it and maybe ask around. Curtiss stated they could do that and right now the ACC is active but they do not have any pressing issues at the time. Steve asked whom else would he recommend. Curtiss replied that right now Elizabeth and himself sit on the Committee and that it would be nice to have someone outside of the Board to sit on it. DyAnn Lauzon asked how Donald Warschak feels about the appointment. Curtiss replied that he stated he would serve in that capacity. Elizabeth stated that because the Committee members may look to Donald to interpret the guidelines that appointment might put him in a difficult position.

Curtiss Schonenberg made the motion to table Item #7. Elizabeth Flint seconded the motion. Steve Woodall asked if they should wait. He was concerned that Donald is qualified for the position and that without a functioning ACC they may have to call a special meeting just to vote on that item. The vote was as follows:

Ayes: Flint and Schonenberg
Noes: Woodall
Abstain: Lauzon

The motion passed.

6. Discussion and Action to elect Vice-President for 2012 CCIDC Board.

Curtiss Schonenberg stated that James Weishuhn had served in the capacity of Vice-President and so they need to appoint someone into that position.

Elizabeth Flint stated she would like to nominate Steve Woodall. Curtiss Schonenberg stated that he was in favor of that. Steve Woodall asked if there should be two council members as President and Vice-President. Curtiss stated he did not think there would be a problem with that.

Elizabeth Flint made the motion to nominate Steve Woodall for the position of Vice-President. Curtiss asked if there were any other nominations. There were none. Curtiss Schonenberg moved that nominations cease.

Ayes: Woodall, Flint and Schonenberg
Abstain: Lauzon

The motion passed.

DyAnn stated that she did not feel comfortable voting.

8. Discussion and Action to approve the Annual Financial Report for the year ended September 30, 2011.

Curtiss Schonenberg made the motion to approve the Annual Financial Report for the year ended September 30, 2011. Steve Woodall seconded the motion. There was no further discussion. The vote was as follows:

Ayes: Woodall, Flint and Schonenberg
Abstain: Lauzon

The motion passed.

9. Discussion and Action to authorize advertising of the availability of the 2012-2013 4B Grant Application.

Curtiss explained that this would be for next year's budget cycle. He stated that the Board usually starts advertising in July, the applications have to be in on a date in September, they are then passed on to the City Attorney for approval, and then are considered by the Board at a meeting in October.

Steve Woodall asked if there was going to be a time when the Board would do some strategic planning. Kayla Duncan stated that it is Agenda Item #16 is long range planning. Steve stated that the Board needs to make sure they spend the money available to them in an appropriate manner. Curtiss stated that next month is the Board's budgeting month and that this could be discussed then or during the later agenda item for long range planning.

Elizabeth Flint stated that she agreed with Steve Woodall and talked about how the Community Grants started out as a goodwill program. She stated that she would like to see the monies funneled more directly toward economic development rather than indirect improvement of the City to attract economic development.

Curtiss stated that the agenda item is for the approval of the calendar presented and that if everyone is in approval of those dates on the calendar they can approve that. He added that at the budget meeting they can come up with the amount of monies that the Board wants to fund to this grant and that last year they budgeted \$26,500.

Elizabeth Flint asked why the Board does this before the budget rather than after. Kayla Duncan stated that this is because it has to be posted for 60 days. Linda Lakich clarified by stating that after the Board approves any awards they have to be posted for 60 days before they can receive funds and if you move it back too far you will be going into the next fiscal year before anyone is even eligible to receive funds. Linda Lakich stated that it might be too that this is just how it has always been done. She stated that typically it gets posted and the Board receives applications and at that point the Board can decide what and how much to fund and that the funding is a separate decision. Elizabeth Flint stated that she is apprehensive of giving the citizens in the community hope that the Board is going to continue to fund community grants and then decided to lower the amount. Steve agreed but added that he would like to see what the people are requesting so that they can look at that in conjunction with the bigger picture. Curtiss stated that they have budgeted as much as 10% towards Community Grants.

Elizabeth Flint made a motion to implement the calendar as presented. Steve Woodall seconded the motion. Steve asked if the Board was meeting on these dates. Curtiss replied that these are advertising and due dates and that the October 15th date is the Board's regular meeting. The vote was as follows:

Ayes: Woodall, Flint and Schonenberg
Abstain: Lauzon

The motion passed.

10. Discussion and Action regarding the Architectural Control Committee's recommendations for Tract E at Industrial Park.

Curtiss Schonenberg stated that the Architectural Control Committee meeting took place on June 14th and gave a summary of the proceedings. He stated that the recommendation that came out of that meeting was that the Board take the western portion of Tract E and designate it as a small business tract. He added that it was also stated that they should have a surveyor plat it out based on the drawing Mr. Warschak proposed during the ACC meeting and have it on record with the County. He stated that this would keep the tracts from being smaller than 1.5 acres. Steve asked if someone could have a three acre tract. Curtiss stated that if someone wanted to buy two tracts, or

all four, they could. Curtiss explained why the Board needs to designate the small acreage tracts and stated that they do still have an individual interested in a small tract at the Park.

Steve Woodall made the motion to accept the Architectural Control Committee's recommendation of Tract E, the western portion being small acreage tract, and to pursue making that to the plat recommendations of the City Manager, Donald Warshak, of the 1.5 acre tract and to have it surveyed and platted through the County. Curtiss Schonenberg seconded the motion. There was no further discussion. The vote was as follows:

Ayes: Woodall, Flint, Lauzon and Schonenberg

The motion passed.

11. Discussion and Action regarding the land west of Great Southern Wood Preserving at the Industrial Park.

Curtiss Schonenberg explained that this is the 100 foot right-of-way that is west of the Industrial Park. He stated that, according to the minutes, the Board was concerned about liabilities of having someone run cattle on the CCIDC's property without having some kind of agreement and gaining access to that 100 foot tract so that it can be cleared because it was part of a bid to get cleared. Curtiss explained that after that meeting he contacted the Railroad and they are receptive to a fence and so they are going to come down for a visit with the Board. He added that when they come to talk about the fence they are also going to look at the CCIDC's southern-most tract and look at the possibility of also making it railroad accessible. He stated that the Railroad told him to use the gate west of the right-of-way in order to do the clearing. Curtiss stated that the individual he talked to was Doug Wood. Elizabeth Flint recommended that they table the item. Linda Lakich stated that the Board could just not take any action on the agenda item and then decide later on what to put on a future agenda once the meeting has taken place.

Elizabeth Flint made a motion to take no action on this item. Steve Woodall seconded the motion. There was no further discussion. The vote was as follows:

Ayes: Woodall, Flint, Lauzon and Schonenberg

The motion passed. No action was taken.

Curtiss stated that he had spoke with the individual running cattle on the property and he has no problem with it.

12. Discussion and Action regarding leasing land for hay production at the Industrial Park.

Curtiss stated that the directive from the Board at the special meeting was to let Donald Warschak and the City Attorney, Pat Gillespie, come up with a lease with the directives the Board came up with, but they were not able to get together so nothing had been done. He added that they were also to advertise. Curtiss commented that he did not feel good about advertising without a lease. Curtiss stated that Billy Mitchell told him that the work they had done already would suffice this year's requirements for the agricultural exemption and so hay would not have to be cut this year. Elizabeth Flint stated that the only problem she saw with delaying it was that the ground needed to be disked and raked while it was soft from the rain. Curtiss stated that he thought that was something that they need to let the individual, who leases it, take care of at that point in time. Curtiss stated that they have had several people approach the Board. Curtiss stated that they need to get the lease out there. There was a discussion about the possibility of having people come to the board and present their proposals and then develop, or amend, a lease after they have heard those proposals. Steve Woodall stated that he did not think they needed to delay advertising; that they should advertise and have Pat and Donald work on the lease at the same time. The Board discussed how it should be advertised if the CCIDC would ask for proposals; Curtiss suggested

advertising as "54 acres at the Industrial Park for hay production. Inquire at City." Linda Lakich asked what the people at the City are supposed to tell them. Elizabeth Flint suggested that inquirers be told that the CCIDC is "interested in establishing a agricultural exemption on those 54 acres... [The Board has] decided that the best way is some agricultural product... Please make us [the Board] an offer... [The Board] realizes that the land is going to need some work and we [the Board] would certainly consider that." DyAnn Lauzon asked how long the lease was going to be. Curtiss replied that they are looking at a five year lease. Steve talked about Michael Braden, who spoke earlier in the meeting, wanting to buy the land. Elizabeth did not see that as a problem because the Board had previously talked about reimbursing expenses on a pro-rata basis if the land was sold before the end of the five years. Curtiss stated that waiting to advertise until they had a lease made would only delay the process about a week. Steve Woodall talked about how Pat was currently working on other projects for the City. Elizabeth Flint and Steve Woodall both agreed that they would like to advertise sooner rather than later and that even with a lease drawn up they may be looking to modify it after they receive the bids. When asked by Elizabeth if they could ask for proposals rather than bids, Curtiss replied that they would like the individuals to know about the directives that the Board would like. Elizabeth thought that they could be vague about it in that advertisement. Elizabeth stated that she would like to see what the people in the community are willing to offer rather than say this is what the Board wants and have no one interested. Elizabeth asked DyAnn what she thought and she replied that she would look at it like it was her personal property and was leasing it out, she would have an idea of what she wanted. Curtiss replied that was done at the last meeting. DyAnn continued by saying that she would then have an attorney write up a lease. That way people had something to look at. Elizabeth stated that their goal as a Board is to get an agricultural exemption on the land with the hope that it will be attractive for a like-kind exchange down the road. DyAnn added that there might be different leases for different opportunities. Steve Woodall suggested advertising the land available for lease for "agricultural use". The Board discussed different possible agricultural uses of the land. Curtiss stated that the earliest they could advertise is the next week.

Elizabeth Flint asked if the should make a motion to advertise in the newspaper for agricultural use of the 54 riverfront acres at the Industrial Park. Steve Woodall asked if this had already been done at the last meeting. Curtiss recommended that they do not make any motions and have it put into the next week's paper. Curtiss stated that he would get with the City to draft something.

No action was taken.

13. Discussion and Action regarding a Scenic City Certification Program.

Steve Woodall explained this program to the Board and how it fits in with the Gilbert Study because the requirements for the program include a sign ordinance and landscaping in the City which were also in the Gilbert Study. He stated that he thought it was worthwhile to look at and be aware of. He talked about the possibility of presenting a thought from the Board to the City Council if the Board thought it was something that fit the Gilbert Study. Curtiss stated that there are some items that are worthy of consideration and implementation. Elizabeth stated that as far as she could tell this is a private certification program that acts in consultation with some governmental agency. Steve stated that he did not know it would mean a whole lot, but that it would not hurt to have the Scenic City logo and that these are things that they Board should already be doing based on the Gilbert Study. Curtiss stated that this shows him that the Gilbert Study was based on some sound thoughts and supports the study.

No action was taken.

14. Discussion and Action regarding a Downtown Sidewalk Revitalization Grant.

Curtiss stated that GrantWorks approached the City about a grant in the amount of up to \$150,000 for sidewalk revitalization in downtown areas. He added that the City of Columbus satisfies most of the requirements and that the reason it was brought up at this CCIDC meeting was because there

has to be matching funds from the City to help secure this grant and 4B funds can be used. He stated that there might be an appeal from the City to CCIDC for help with the matching funds. The Board talked about the different possible uses of the grant funds. Elizabeth stated that she is excited about this, especially since the Courthouse's exterior restoration is complete and they have received grant funds to restore the interior of the courthouse. She stated that anything they could do to "polish that jewel" would be money well spent. Steve Woodall talked about having someone from GrantWorks come and talk to the Board about everything available because they do a lot and there may be funds available for the projects that the CCIDC would like to undertake.

No action was taken.

15. Discussion and Action regarding marketing of riverfront property at the Industrial Park.

Curtiss asked the Board if they would like to market this property at this point in time. Elizabeth talked about how she knows people constantly looking for riverfront property and how it is a beautiful piece of property, but that it is not suited for the CCIDC. She stated that if they do not use it for economic development they are required to sell it for fair market value. She talked about putting up a big sign that says "Riverfront Property for Sale, 54 acres" and gave the CCIDC's number. Curtiss stated that they have a sign and that it could be moved and put a new "face" on it. Elizabeth added that when people call requesting information we would have to be able to tell them how much we want for it and again mentioned that it would have to be sold at market value. She stated that this would require them to use the 2008 appraisal or they would have to spend the money to get a current appraisal. She talked about how she does not want to be tied to any one realtor. The Board talked about the flooding issues of the land and possible remedies. DyAnn proposed having a letter sent out to the area realtors to let them know that they are advertising the land for sale, that they are not going to sign with any one realtor, and that they would be happy to sign a single client contract. Curtiss and Elizabeth thought that was a good idea. Curtiss stated that they would go through the City Attorney for that. Steve added that he would like to hire an appraiser to get a more current appraisal of the property. Elizabeth talked about contacting Jullian Grant to find out about using the appraisal estimate from the tax assessor/collector as a valid market value appraisal or if he feels like they need to have a commercial appraisal. DyAnn talked about being able to get a business out there, such as the kind that Michael Braden had talked about earlier. Elizabeth replied that the area would be an ideal RV Park, but that the CCIDC could not use it for an RV Park because of restrictions. She added that they could sell the land to someone to use it for that purpose, but they could not give it to them as part of an economic grant. Curtiss thought that they needed to get the land appraised first.

Elizabeth Flint made the motion to get a current appraisal on the 54 acres northern-most riverfront property at the Industrial Park. Steve Woodall seconded the motion. Steve asked if they needed to bid this out. Curtiss replied in the negative. Curtiss asked whom they should use. DyAnn asked if they could start with someone who had already done the appraisal. Steve recommended a group that did an appraisal for him. Elizabeth stated that the problem is getting commercial property appraisals. Curtiss stated he would contact the prospective appraisers. The vote was as follows:

Ayes: Woodall, Flint, Lauzon and Schonenberg

The motion passed.

16. Discussion regarding long range planning for CCIDC.

Curtiss stated that they are potentially two sales away from not having substantial acreage at the Park. He told the Board that this is something that they need to start thinking about; if they want to expand, what areas they want to expand into, and things of that nature. He talked about some issues they need to consider such as location of future property, road frontage, and the accessibility to major highways. He pointed out the piece of property, owned by the Naumans, he is currently thinking about and the Board discussed the issues and history of that property. They talked about

how it is zoned as residential as multi-family housing. Elizabeth pointed out that this type of housing would not be eligible for economic development funds unless it was low-income housing. Curtiss stated that they were asking \$10,000/acre for that particular property. The Board discussed what would qualify as low-income housing. Steve recommended sending this to the ACC and having them recommend some possible new property to purchase. Curtiss disagreed. Curtiss talked about different companies interested in the property he was talking about and what they do. Curtiss stated that the ACC primarily oversees items with the Covenants and that he would rather see the Board look into it. Curtiss stated that they could each look into it individually. Elizabeth asked if they would be able to get financing because the CCIDC is already pretty heavily in debt. Curtiss agreed and stated that he was looking into the future and they talked about the budget and possible sources of funding. Elizabeth agreed that it was a good idea for everyone to go out and look. Steve stated he would like to have the people who underwrote the CCIDC bonds come and talk to the Board about what they thought the Board could do as far as getting more property. Elizabeth talked about property on Highway 71 but Steve pointed out the issue of getting utilities to the area.

Elizabeth talked about the Commercial Development Policy Deployment Plan 2007-2010 that was done by the Board. Curtiss asked that copies of that be brought to the next meeting. Steve asked that it be emailed so they could look at it ahead of time.

17. Discussion regarding an update on prospective companies interested in land at the Industrial Park.

Curtiss stated that a company by the name of AgriRock had approach him. He stated that they specialize in aggregate used in the petroleum industry and that they are looking for a place to set up an in house grinding operation. He stated that he has a meeting with them Wednesday morning to find out more about them.

Curtiss stated that he had talked to Mr. Swyden at the machine shop and told the Board that he was still interested in land at the Park.

18. Discussion and Action regarding KW International.

Curtiss stated that they have still not received any of their engineering data. Elizabeth stated that they have surveyed recently. Curtiss talked about how the scope of their operation is getting larger and they want to expand on what they originally proposed. Elizabeth asked when their tax abatement would begin. Curtiss stated that the timeline started the date the contract was signed. Steve asked if they put anything in the contract that they had to start by a certain date. Curtiss replied that they did not, that it was a "term ending" contract. Elizabeth stated that she was eager for them to start construction. The Board talked about the future electricity requirements of KWI and other about potential tenants at the park.

No action was taken.

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

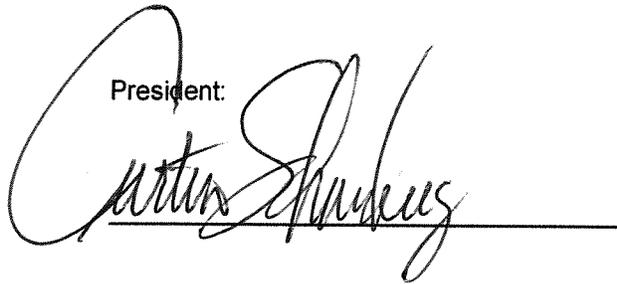
Curtiss asked to make the additions mentioned earlier in the meeting and to email the packet Elizabeth had mentioned earlier in the meeting.

Elizabeth encouraged the new Board members to visit the CCIDC website, read the Economic Development Act, and complete the Open Meetings Act training. Curtiss replied that Kayla Duncan had given each one a packet that included that information. Curtiss stated that the packet does not have the 4B information suggested.

Curtiss reminded everyone that they will be working on the Budget at the next meeting and thanked DyAnn for joining the Board.

20. Adjorn.

President, Curtiss Schonenberg, adjourned the meeting at 8:40 p.m.

President:


Attest
Secretary:



