

MINUTES

BRENHAM COMMUNITY DEVELOPMENT CORPORATION

August 17, 2017

A meeting of the Brenham Community Development Corporation was held on August 17, 2017, at City Hall, 2nd Floor Conference Room, 200 W. Vulcan, Brenham, Texas beginning at 7:30 a.m.

Board members present were Charles Moser, David Cone, Atwood Kenjura, John Hasskarl, Darrell Blum, and Bill Betts.

Board member not present was Jason Kiemsteadt.

City of Brenham staff members present were Terry Roberts, Carolyn Miller, Ryan Rapelye, Dane Rau, Wende Ragonis, Lori Lakatos, Stacy Hardy, Erik Smith, Jeana Bellinger, Cary Bovey, City Attorney and Paula Shields.

Others in attendance were Mayor Milton Tate, Grant Lischka from Jones and Carter, and Page Michel from EDF

- 1. Chairman Charles Moser called the meeting to order**
- 2. The Invocation and Pledges to the Flags Followed**
- 3. Discuss and Possibly Act Upon the Approval of the Minutes from the June 13, 2017 Meeting and June 29, 2017 Special Meeting**

A motion was made by David Cone and seconded by Darrell Blum to approve the minutes from the June 13, 2017 regular meeting and June 29, 2017 special meeting as corrected.

Chairman Moser called for a vote. The motion passed with the Board voting as follows:

Chairman Charles Moser	Yes
Board Member Bill Betts	Yes
Board Member Jason Kiemsteadt	Absent
Board Member Darrell Blum	Yes
Board Member Atwood Kenjura	Yes
Board Member John Hasskarl	Yes
Board Member David Cone	Yes

4. Discuss and Possibly Act Upon FY2016-17 Third Quarter Financial Report

Assistant City Manager – Chief Financial Officer Carolyn Miller presented the financial report for the third quarter FY 17:

Sales Tax Revenue

Miller explained that the FY17 sales tax revenue budget was increased by 2% over the prior year's budgeted amount. Miller stated that with nine months of collections being reported, we are marginally ahead of budget by approximately 4%. Cumulatively, FY17 sales tax revenue is \$64,276 ahead of budget.

Financial Statements

Miller explained that the *Combined Balance Sheet* was updated to include the Southwest Industrial Park Section Three (SWIP III) detention pond contribution of \$98,662. When the Bluebonnet Electric contribution was made in 2011, this amount was inadvertently recorded as income (sale of property) and we are now reclassifying the amount as a liability. The balance sheet was also updated to include \$36,968 received from Precision Polymer's contribution to the storm water detention facilities.

Miller stated that the *Economic Development and Brenham Business Center* operating report shows a deficit of \$508,849 through the end of the third quarter FY17. The deficit is a result of two items: the second and final EDA Grant Matching Contribution of \$150,000 and the use of approximately \$388,000 of reserves for the purchase of 45 acres of land near the Southwest Industrial Park. Miller explained that there was \$21,518 of engineering costs incurred this year related to the construction of the SWIP III detention pond.

On the *Recreation* side, 11 of the 13 approved parks and recreation projects for FY17 have been completed or were in progress as the third quarter. At the April 20, 2017 meeting, BCDC approved an additional expenditure from the *Recreation* side and allocated \$46,442 of contingency to be transferred to the BCDC Capital Projects for the Brenham Family Park Master Plan.

A motion was made by Atwood Kenjura and seconded by John Hasskarl to approve the FY2016-17 Third Quarter Financial Report as submitted.

Chairman Moser called for a vote. The motion passed with the Board voting as follows:

Chairman Charles Moser	Yes
Board Member Bill Betts	Yes
Board Member Jason Kiemsteadt	Absent
Board Member Darrell Blum	Yes
Board Member Atwood Kenjura	Yes
Board Member John Hasskarl	Yes
Board Member David Cone	Yes

5. Discussion and Possibly Act Upon the Appropriate Funding Designation for Capital Projects Involving Drainage Improvements and Linear Park Pedestrian Streetscapes in Downtown Brenham

Terry Roberts explained that at the June 13, 2017 BCDC meeting a question was raised regarding the extension of the linear park system in the downtown area along Park Street to the south and whether the more appropriate funding source for the linear park project was from BCDC economic development funds or BCDC community development/recreation funds. Roberts stated that the linear park project is being considered to upgrade the area after installation of the new drainage facilities.

Roberts explained that City Attorney Cary Bovey was asked to review this request and provide a legal interpretation regarding the funding of this BCDC capital project. Bovey provided the following analysis:

- The decision for the 65% parks & recreation/35% economic development sales tax revenue was a decision made by City Council and BCDC at their joint December 5, 1996 meeting and is not mentioned in the BCDC bylaws.
- State law defines the type of projects for which the BCDC is authorized to spend economic development sales tax in the Texas Local Government Code, Section 501.103 and 505.152.

Roberts stated that it was the City Attorney's opinion that the drainage system improvements in the downtown area are essentially a public works infrastructure project intended to make economic development projects in the area more viable.

Community Services Director Wende Ragonis added that the City will fund the drainage improvements. The cost of the Linear Park Pedestrian Streetscape (linear park like features) is approximately \$175,000. There are grant opportunities for up to \$250,000 and, if awarded, could be used to offset the cost for the linear park like features. The \$175,000 would be for two projects, (1) the Park Street Streetscape of \$150,000 and \$25,000 by Market and Commerce Streets.

A motion was made by Bill Betts and seconded by David Cone to fund the capital projects involving drainage improvements and linear park pedestrian streetscapes in Downtown Brenham from the *Economic Development* funds.

Chairman Moser called for a vote. The motion passed with the Board voting as follows:

Chairman Charles Moser	Yes
Board Member Bill Betts	Yes
Board Member Jason Kiemsteadt	Absent
Board Member Darrell Blum	Yes
Board Member Atwood Kenjura	Yes
Board Member John Hasskarl	Yes
Board Member David Cone	Yes

6. Discuss and Possibly Act Upon on a Professional Services Agreement with Jones and Carter, Inc. Related to the Southwest Industrial Park Section Three Detention Pond and Authorize the President to Execute Any Necessary Documentation

City Manager Terry Roberts presented this item. Roberts explained that it is recommended that the BCDC retain Jones and Carter, Inc. to finalize the detention pond design in the Southwest Industrial Park Section Three (SWIP III) to serve the existing properties and any potentially additional properties.

Roberts stated that when the SWIP III was originally designed and developed, a detention pond was designed and partially constructed to serve 127.6 acres which was comprised of 119.1490 acres of the Wiege Tract located on Industrial Blvd. and 8.5 acres of the Brenham Industrial Foundation Tract located on Pickle Circle for a total of 132.4653 acres.

The detention pond was designed to be constructed in phases as the land developed. This will be the third phase which will clean up and grade the pond to meet design criteria to serve the properties that were annexed into SWIP III.

The agreement is the final design of the detention facility and the cost is not to exceed \$39,936.00, with additional services of \$17,910.00 for improvements to Longwood Drive drainage. The agreement is for a total of \$57,846.00.

A motion was made by John Hasskarl and seconded by Darrell Blum for professional services agreement with Jones and Carter, Inc. related to the Southwest Industrial Park Section Three for the design of the detention pond for up to \$39,936.00 and authorize the President to execute any necessary documentation. The Longwood Drive drainage project will be conducted at a later date.

Chairman Moser called for a vote. The motion passed with the Board voting as follows:

Chairman Charles Moser	Yes
Board Member Bill Betts	Yes
Board Member Jason Kiemsteadt	Absent
Board Member Darrell Blum	Yes
Board Member Atwood Kenjura	Yes
Board Member John Hasskarl	Yes
Board Member David Cone	Yes

7. Discuss and Possibly Act Upon the Annexation of Additional Property to the Declaration of Covenants, Conditions and Restrictions of Southwest Industrial Park, Section Three, and Authorize the President to Execute Any Necessary Documentation

City Manager Terry Roberts presented this item. Roberts explained that after reviewing the various documents related to the Southwest Industrial Park, Section Three (SWIP III), it was determined that 8.5 acres owned by the Economic Development Foundation (EDF) was not included in the total acreage annexed as part of SWIP III.

City Secretary Jeana Bellinger added that during discussion with the EDF regarding the possibility of Kountry Boys Sausage being allowed to participate in the SWIP III detention pond, it was determined that the 8.5 acres was not annexed. Bellinger is recommending that this 8.5-acre tract be annexed so that SWIP III can be made whole.

Bellinger stated that at this time staff does not recommend annexing the 3.00 acre Kountry Boy Sausage tract in SWIP III until Jones and Carter can determine that there is capacity designed into the pond to hold the additional drainage.

A motion was made by Bill Betts and seconded by John Hasskarl to annex the 8.5-acre tract owned by the Economic Development Foundation to the Declaration of Covenants, Conditions and Restrictions of Southwest Industrial Park, Section Three, and Authorize the President to Execute Any Necessary Documentation

Chairman Moser called for a vote. The motion passed with the Board voting as follows:

Chairman Charles Moser	Yes
Board Member Bill Betts	Yes
Board Member Jason Kiemsteadt	Absent
Board Member Darrell Blum	Yes
Board Member Atwood Kenjura	Yes
Board Member John Hasskarl	Yes
Board Member David Cone	Yes

8. Discuss and Possibly Act Upon the Bylaws of the Southwest Industrial Park Section Three Property Owners Association

City Secretary Jeana Bellinger presented this item. Bellinger stated that the Bylaws for the Southwest Industrial Park Section III Property Owners Association have been finalized and are ready for approval by the BCDC. The information in the packet includes comments provided in 2014 by Mr. Betts and Mr. Barkman. The bylaws were first presented to the Board in 2014; however, with several staff changes at the City, they had not been formally adopted.

City Attorney Cary Bovey explained that the Property Owners Association has been formed and the paper work is on file with the Secretary of State. The adoption of the bylaws is a function of the Association; however, there is a provision in the CCRs that state the BCDC approves everything the association does; therefore, the association cannot do anything without the approval of the BCDC.

A motion was made by Atwood Kenjura and seconded by David Cone to approve the Bylaws of the Southwest Industrial Park Section Three Property Owners Association as presented.

Chairman Moser called for a vote. The motion passed with the Board voting as follows:

Chairman Charles Moser	Yes
Board Member Bill Betts	Yes
Board Member Jason Kiemsteadt	Absent
Board Member Darrell Blum	Yes
Board Member Atwood Kenjura	Yes
Board Member John Hasskarl	Yes
Board Member David Cone	Yes

The regular meeting was closed at 8:34 a.m.

EXECUTIVE SESSION

9. Executive Session Pursuant to Texas Government Code Section 551.072 for Purpose of Deliberation Regarding Real Estate Matters Concerning the Sale of Industrial Park Land

RE-OPEN REGULAR AGENDA

The regular meeting was re-opened at 8:57 a.m.

10. Discuss and Possibly Take Action Regarding the Sale of Real Property in the City of Brenham Owned by the Brenham Community Development Corporation (BCDC) for Industrial Park Purposes and Authorize the President to Execute Any Necessary Documentation

A motion was made by Darrell Blum and seconded by Atwood Kenjura to approve the sale of real property in the City of Brenham owned by the Brenham Community Development Corporation (BCDC) for industrial park purposes as discussed in Executive Session and authorize the President to execute Any necessary documentation

Chairman Moser called for a vote. The motion passed with the Board voting as follows:

Chairman Charles Moser	Yes
Board Member Bill Betts	Yes
Board Member Jason Kiemsteadt	Absent
Board Member Darrell Blum	Yes
Board Member Atwood Kenjura	Yes
Board Member John Hasskarl	Yes
Board Member David Cone	Yes

11. Economic Development Foundation Update

➤ FY 2016-17 Third Quarter Report

Economic Development Foundation President Page Michel provided the highlights from the third quarter report.

12. Administrative Update

City Manager Terry Roberts provided the following update:

- Fireman's Park Restroom construction project is on-going
- Project Chatt project will be discussed at the Sept. 7th 2017 City Council meeting

The meeting was adjourned.

Charles Moser

Charles Moser
Chairman

ATTEST:

Jeana Bellinger

Jeana Bellinger, TRMC, CMC
Secretary