

FARMERSVILLE ECONOMIC DEVELOPMENT CORPORATION  
MEETING MINUTES

July 19th, 2018

The Farmersville EDC met in regular session on July 19th, 2018 at 6:35 p.m. in the City Hall Council Chambers with the following members present: Jason Lane, Robbie Tedford, Diane Piwko, Randy Smith, and Bob Collins. Staff members present were City Secretary Sandra Green, City Manager Ben White. Special guest recognized Councilman Hurst, Donna Williams, Mike Goldstein, Tommy Ellison, Cindy Dickens and Main Street Manager Reagan Rothenberger.

CALL TO ORDER

Mr. Lane convened the meeting at 6:35 p.m. and announced a quorum was present.

RECOGNITION OF CITIZENS AND VISITORS

Special guest recognized Councilman Hurst, Donna Williams, Mike Goldstein, Tommy Ellison, and Main Street Manager Reagan Rothenberger.

REORGANIZE BOARD OF DIRECTORS BY ELECTING A PRESIDENT, VICE PRESIDENT AND SECRETARY FOR THE UPCOMING YEAR.

On a motion made by Mr. Tedford to nominate Jason Lane for President, second by Mr. Collins, all in favor, motion passed unanimously. On a motion made by Mr. Collins to nominate Mr. Tedford as Vice President, second by Mrs. Piwko, all in favor, motion passed unanimously. On a motion made by Mr. Smith to nominate Mrs. Piwko for Secretary, second by Mr. Collins, all in favor, motion passed unanimously.

PUBLIC COMMENT

Mr. Goldstein addressed the EDC Board regarding his concerns about county road situation going around the college and the funding method. I understand, and it is in the paper this morning that EDC was asked to support \$125,000 per year and CDC was asked to support \$100,000 per year. Our estimated tax collection this year is \$225,000 and we have approximately \$300,000 in a trust account. We have already committed \$195,000 to this year's budget. This would put CDC in a significant financial bind. I would not vote for this and would not ask the CDC board to vote for this as well. I would be comfortable voting \$50k per year toward this project. If this continues to go on we could be out of money in a couple years. What I'm trying to say is; could it be possible that our portion be reduced. Mrs. Piwko wanted to clarify if the board had a discussion on this item. Mr. Goldstein said the board has not, but I'm recommending they do not vote for this item.

Ms. Dickens addressed the EDC Board regarding Highway 380 project. If you choose the altered yellow route it would destroy everything we have our home and business. If the yellow route is moved over to accommodate certain people in the City. Are we not as important as anyone else? It would take everything we have, feel you're more concerned covering the earth with concrete. You say you are planning for the future, what about the people that are here now. Maybe you should consider if you move the traffic off the current Highway 380, those businesses will die. These businesses contribute a large amount of sales tax dollars which support 4A and 4B. These businesses pay property taxes as well. What about our nationally recognition with the Main Street downtown, I feel it would dry up as well. Ms. Dickens stated they want Highway 380 to stay where it is, we are ok with the blue and red routes and the County Commissioner told her he would recommend the blue route to TXDOT.

#### CONSIDER, DISCUSS AND ACT UPON ITEMS RELATED TO THE PRELIMINARY LAND USE MAP

Mr. White presented a map to the EDC board regarding preliminary land use map. Mr. White stated this route was moved to accommodate people's comments, including Ms. Dickens. Mr. White is looking for support from EDC Board to continue going forward. Mr. White wanted to know if EDC is in favor of the two employment centers (A&B). Mr. Lane thinks the discussion on employment centers with others they have set on a 6,000 acre. Mr. Lane supports designating the area, but realizing it needs tweaking. The map would eventually role into the comprehensive plan. Mr. Collins stated if we do not put aside land we will strap ourselves later. Three quarters covers what people want as parks, homes, etc. Railroad would be a focal point. Mr. Tedford said he is comfortable starting with this, but thinks if they do not set aside land now it will create problems later. Mrs. Piwko is in favor so people will know what is coming in and may be living by an industrial zone. Zoning would not be a problem for different uses. Mr. Smith said he is generally ok with it but he thinks they should be more focused and look at infrastructure that is already in place. Mr. Smith thinks we need to utilize the railroad and thinks money being spent right now is premature. Mr. Smith does not see an influx of companies wanting to come in now. There is already an industrial area that has not sold in several years. Mr. Smith thinks we should wait until there is more of a demand. Mr. Lane seems like they are online with some areas but Mr. White needs direction from the EDC Board. Mr. Lane thinks it's a good plan outside the City limits. Mr. Lane believes there will be some tweaking and this is generally the direction we need to go. Mrs. Piwko asked about how the land use map was created/choppy. Mr. White stated he went by property lines. Mr. White stated wants to hire a professional land use map person to create the map. Mr. Smith stated if we do not approve tonight can we amend the budget later to do so at a later date. Mr. Lane stated he wanted a census from the EDC Board as a general concept. Mr. Tedford stated the EDC board is in favor of the idea but not necessarily

today. Mr. White stated the take away from this board is in support of the employment centers. Mr. Collins stated what is the process and our next steps. Mr. White stated he would like to introduce to Council formally, would ask for Council support.

### BUDGET WORKSHOP

Mr. Lane stated last year's budget revenue in sales tax of \$264,800 dollars feels this was overestimated. Before we go forward we need to know what our revenue stream is. There is some information in the newspaper, but not sure how accurate. Mr. Tedford stated to date we have collected \$134,299 in sales tax revenue, this is a significant short fall. Mr. Tedford feels at this trend we will end up with approximately \$180,000k. Decrease in sales tax has been devastating. Need to build budget with more realistic figures. Mr. Collins agreed that \$180,000 is a reasonable number. Mr. White stated there was an industry that had a drastic reduction in sales tax and not sure if it was miscoded, still investigating. Mr. Lane stated for the purpose of the workshop start with \$180,000. Mr. Collins stated it is hard to complete a budget without good numbers, hard to plan for next year when we do not know what is happening. Mr. Lane stated we can listen to what Mr. White request are and postpone budget until we have some good numbers. Mr. Tedford agreed would like to see some hard numbers.

Mr. White stated his request are not in any particular order. First item is for the Farmersville Electric Substation Acquisition and Distribution Line Improvements. Mr. White stated he wants to take over the substation from ONCOR in the amount of \$85k, would like to borrow the funds from EDC and save money from going to out for a bond. Mr. White stated this gives us options to maintain the antenna and could be used as an asset. Currently the system has reliability problems, do not want the College to experience any issues. Garland performed the study showing we have issues. We may end up with a substation on the east side of town. Transmission lines are paid thru TCOST. Transformer is at the end of its life but will be able to handle the College. Next budget year upgrade transformer. Mr. White asking for \$85k to acquire substation and \$125k for distribution line upgrades from current substation site to the northeast corner of the College site. Mrs. Piwko asked about the substation on the east of town, do we own the property. Mr. White said no, we are planning. Mrs. Piwko asked why there are reliability problems. Mr. White stated we back up to ONCOR and that is not a normal situation. Mr. Tedford stated ONCOR would give a clean bill of health. Mr. White said we are paying for the soil testing. Mrs. Piwko asked if we could possibly lower rates. Mr. White stated he would not recommend that. Mr. Smith said April 19<sup>th</sup> board meeting it stated 6 options different ways to fix the issue if we didn't buy the substation. Mr. White stated if we buy the property we would get an antenna that could help the fire and police communications. Mr. Smith asked can the antenna help the College and if you were not buying this what would you do to get the electric for the College. Mr. White stated we

would still upgrade the distribution line, ONCOR would continue to own substation Mr. Tedford said one point you shared earlier we pay monthly for the substation. Mr. White stated yes approximate \$3 to \$4k per month. Mr. Smith asked what the cost would be to build the substation out East. Mr. White stated apprimately \$5million.

Mr. White stated we talked about this previously, the land use map upgrades. Mr. White presented the rationale for this request. Mr. Tedford asked are there alternatives to this map, are there current resources out there to help with the map. Mr. White stated not that I am aware of. We have a planning engineer set aside for planning, Kimley Horn they are our planning company for the City. Mr. Tedford asked to look at different alternatives than paying for this map. Mr. Collins asked are there any resources even at the state level to do planning. Mr. White stated he is not aware of anything. Mr. Collins stated the only problem with that is you will get a planner with a grant that knows nothing about this area.

Mr. White next budget request was for the Farmersville Parkway and Collin Parkway Improvements. Mr. White read out loud the rationale behind this along with the Development Agreement between the City and the College.

Mr. Tedford asked if the \$8 million would the complete the project. Mr. White stated yes this would complete the whole project. Mr. White stated there are some things we can do. We can phase it in. NCTOCG said they may be willing to widen Highway 78 from Highway 380 to Farmersville Parkway. They may be able to help with other projects as well. Mr. Tedford stated assuming we did the project are the funds still available thru the County. Mr. White stated yes. Mr. White stated we would enter into inter-local agreements with CDC, EDC and TIRZ, we have lots of options. We can lessen cost by cutting back scope. Mr. Collins stated he appreciates Mr. White reviewing all the options. Mr. White stated we are not making any decisions tonight, just wanting to see if we have support. Mr. Collins stated making this project into 2 phases, to help with cost. Mr., Smith asked Mr. White when you knew we had an agreement with the College. Mr. White stated he had heard about it but hadn't read it until I met with the College over the past year. This City could not find the agreement. The college brought a copy to the City. Mr. Smith asked about the standards of the roads. Mr. White stated it would be built to City standards. Some right-of-ways have been purchased some have not. Mr. Smith asked would we have to go by Collin standards since we are using their money. Mr. White stated it would be City standards. Mr. Smith asked if the \$8m figure is this total turnkey. Mr. White stated yes, utilities, right-of-ways etc. Mr. Smith asked if there is a breakdown on the \$8m. Mr. White stated he is producing it now, feels it is good numbers, but waiting for further review. Mr. Smith stated not good until we have reliable numbers. Mr. Smith stated he understands right of way is 100 foot. Mr. White stated he does not have numbers but will make sure it is right. Mr. Smith stated there are a couple of buildings involved and feels there's not a 100 foot available. Mr. Smith asked about the financing

the debt service repayment was \$400k per year and know it is showing \$450k. Mr. White stated he depended on staff to review numbers and went over it and felt it was a good number. Mr. White stated he will get with Daphne Hamlin to forward bond repayment information to Mr. Smith.

Mrs. Piwko asked if the City would look at roadway impact fee and request the City Manager to come up with numbers to perform a roadway impact fee study. Also, ask if council would implement this. Mr. Lane said we can add this to future agenda. Mrs. Piwko stated Mr. Rothenberger when he was completing his masters he had some information on impact fees. Mr. Rothenberger stated he had developed a paper regarding impact fees but does not consider himself an expert. Mr. White stated is would cost over \$100k but it will take years.

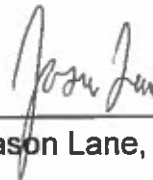
Mr. Lane stated since we do not have good numbers for our budget, we need to get those numbers for this budget and reschedule. Date was set for August 2<sup>nd</sup> to go over budget.

SET PUBLIC HEARING DATE

Item tabled

ADJOURNMENT:

Meeting adjourned at pm. 8:13



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Jason Lane, Chairman

ATTEST:



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Diane Piwko, Secretary