



**DRAFT**

**CITY OF FARMERSVILLE  
AD HOC MARTIN MARIETTA SITE DEVELOPMENT SUB COMMITTEE  
REGULAR CALLED MEETING  
March 21, 2019, 7:30 P.M.  
COUNCIL CHAMBERS, CITY HALL  
205 S. Main Street**

**CALL TO ORDER**

The Farmersville AD Hoc Martin Marietta Site Development Sub Committee met in regular called meeting @7:55 P.M in the City Hall Council Chambers with the following members present: Mayor Rice, Tommy Ellison, Paul Kelly, Councilman Hurst, Councilman Overstreet, Diane Piwko, and Jason Lane. Special guest recognized Tony Ewing, Dwain Mathers, Donna Williams, Leaca Caspari, Steve Caspari, staff member's present were City Accountant Daphne Hamlin and City Manager Ben White.

Called to order @ 7:55

**DISCUSS OPTIONS FOR THE DEVELOPMENT OF THE MARTIN MARIETTA SITE**

Mr. White stated reason for this meeting is I'm asking for advice, this is a complex issue that we will be discussing.

Mr. White presented the location site of approximately 85 acres where Martin Marietta is proposing to develop a rail service for aggregate, plans for 2 batch sites, and asphalt batch plant.

This is not a high employment facility. Martin Marietta has applied for a TCEQ air quality permit and has applied here at City Hall for a development plat. Martin Marietta's intent currently is to stay in the County and outside of our city limits. Martin Marietta's major concerns are they want to rapidly develop the site, and want a place where the rules do not change. Mr. White stated the annexation laws have changed and there are no forced annexations.

There are two major Farmersville employers in the area that are very important to our City. One of the owners for those facilities has asked to speak before the board. Mr.

Tony Ewing, owner of Advanced Fixtures, wanted a chance to address the board regarding his concerns relating to Martin Marietta moving next to his facility.

Mr. Ewing stated his position on this development could be in conflict with what the City wants, but everyone has to look out for their own best interest. Mr. Ewing stated after speaking with his attorney, and his real estate people, all have agreed that I do not want this sort of facility next to my business. Mr. Ewing said his approach now is to fight the permit process. Mr. Ewing stated he has purchased an air quality monitoring system, which monitors 24/7. He explained the way it works with TCEQ is once you get a permit you can self-regulate. If I monitor air quality 24/7 and place cameras there will be evidence. I cannot allow them to affect my business which is highly automated, and sand will destroy our equipment, "per Mr. Ewing" suggested to the board to allow him to right the TCEQ permit. He said he has a good team of attorneys and senators on his side. Mr. Ewing stated his main concern is his facility and next would be the property values in this area, because they would drop.

Mr. White presented a presentation with the different strategies (see attached) formulated on current knowledge of what is going on. Mr. White stated Martin Marietta will remain in the county, with no reason to come into City. They will possibly meet the requirements for the plat to be approved, and the City will not receive any revenue. Farmersville will not be able to request site improvements to this facility. There are no Farmersville utilities being used. One thing we can do is nothing, let Mr. Ewing proceed down the road he is on now and let him fight the legal battle.

Next strategy would be to contest or join Mr. Ewing and call all representatives in the area.

The third strategy would be to partner with Martin Marietta and try to get them to become a good corporate citizen and help eliminate the dust. The City could offer incentives like paving the roads, a development agreement would offer speed in permitting and offer, TIRZ, EDC, Hi-Impact Zoning, and Safety protection. Then they would annex into the City.

Mr. White asked the board for any other strategies that he could have missed. Mrs. Piwko stated we are competitively talking about \$50.00 in tax revenue per truck leaving the Martin Marietta facility that the City could possibly receive from Martin Marietta if they annex into the City. What if the other facilities like Nelson Brothers and Reliable follow suite and not annex into the City?

Mr. Hurst stated the problem he's seeing if we do not do our due diligence and try to negotiate getting them into the City is that we would lose control of the site. Mr. Hurst's concern as well is if the City provides water and sewer, it will depend on if we get the CNN from Caddo Basin he indicated that was still out there and it is imperative that this is done in a timely manner. He felt it is taking too long to resolve. If we do not have

control of what it looks like, we have not done our job. If we lose control, nothing will come here. This situation is very touch and go, but anything we can do as a City to get them annexed in and to get the Caddo Basin situation handled is what we need to do.

Mrs. Piwko asked about the Caddo Basin agreement and if we start growing would we start hitting our limit of take or pay. Can we limit amount of water to Caddo Basin? Mr. White stated Caddo Basin is now a stand-alone utility district. Mr. Hurst stated we do not want to sit back on this Caddo agreement, we need to move forward.

Mr. Kelly stated we need to do something to work with them and not work against them but, if we do not do anything they will go into county and we will have no control. The way to have control is to get them into the City.

Mr. Overstreet said we are no further along than a year ago. He stated all we have done as a City is bid out contracts for a water line, spent 29K for a boring permit, incurred attorney fees for drafting a development agreement, created a new zoning district and had numerous discussions.

Mr. Kelly asked how much we are willing to spend in city tax dollars to fight this. Mr. White stated he is suggesting they let Mr. Ewing follow his route.

Mr. Ewing suggested taking it slow and let him go down the TCEQ permitting path. He said he would let the City try to resolve the issue of getting Martin Marietta into the City.

Mr. Ellison stated it seems like Mr. White and myself have met with them and at that time we were working on an agreement. Their legal staff redlined the agreement and included in the agreement we would not make any changes to ordinances. It stated we would not change the rules. We could not agree to those terms. Mr. Ellison stated staff does not make policy, but Council makes policy. He encouraged the City not to get into a fight. His best suggestion would be to slow the permit process.

Mr. White said he would take recommendations to the City Council, regarding Mr. Ewing taking the lead of trying to slow down the TCEQ permit.

Adjourn 9:05

APPROVE:

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Craig Overstreet, Councilman

ATTEST:

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Daphne Hamlin, Finance Director, Board Liaison

Farmersville Subteams

# Martin Marietta Development

Presented by Ben White  
21 March 2019

# Purpose

- Assist the Farmersville City Manager in developing a strategy concerning the development of the Martin Marietta (MM) site.
- Strategy will be presented to City Council as a recommendation
- In the end, City Council decides!

# Current Status

- Site
  - Corner of CR 653 and Audie Murphy Parkway (US 380)
  - Has bought approximately 90 acres
- MM business development in the area
  - Rail served aggregate facility (no revenue)
  - Two concrete batch plants (each plant \$200K to \$400K)
  - One asphalt batch plant (minimal revenue)
  - 15-20 employees (estimated)
  - Lots of truck traffic
  - Huge rail investment
- MM applied for a TCEQ air quality permit (155639)
- MM is applying for a development plat for the site
- MM major concerns
  - Rapid development of the site
  - Don't change the rules downstream
- Annexation laws

# Other Concerns in the Area

- Two major employers in the area
  - Advanced Fixtures, Inc. (AFI)
    - Major Farmersville employer
    - Is considering expanding their plant by moving plant from Greenville to Farmersville
  - CMC Steel Fabricators Inc. (formally Gerdau)
- Presentation by Tony Ewing
  - Owner AFI



# Strategy Development

- Neutral strategy, do nothing
  - MM will permit thru the county
  - MM will remain in the county
  - Approve the development plat
  - No revenues generated
  - Slight chance that MM will come into the City later
  - Farmersville won't be able to negotiate any site improvements
  - No Farmersville utilities
  - Leave legal maneuvering to AFI
    - AFI likely will contest the TCEQ permit as well as presenting other legal challenges regarding MM performing business at the site
    - Who knows who will win this battle!
- Undetermined outcome

# Strategy Development (Cont.)

- Contest the TCEQ permit
  - Farmersville joins AFI in contesting the air quality permit
  - MM likely to see Farmersville as a threat
  - MM will permit thru the county
  - MM will remain in the county
  - No Farmersville utilities
  - Farmersville won't be able to negotiate any site improvements
- Approve the development plat
- No revenues generated
- Not likely MM will come into the City
- Undetermined outcome

# Strategy Development (Cont.)

- Partner with MM and Enter into a Development Agreement
  - Farmersville offers
    - Utilities
      - Water
      - Sewer
    - FEDC economic incentive
    - TIRZ economic incentive
    - Speed up permitting via agreement
    - Public Safety coverage, ISO Level 2 rating
    - High Impact Zoning is possible, no Special Use Permit (SUP) required

# Strategy Development (Cont.)

- Partner with MM and Enter into a Development Agreement (Cont.)
  - Farmersville asks MM for the following
    - Be a good corporate neighbor
      - Impervious roads
      - Frontage landscaping
      - Small particulate (sand) confinement
      - Ground cover
  - Possible revenue produced (\$400K - \$600K)
    - FEDC
    - FCDC
    - City of Farmersville
  - Saves lots on attorney bills
  - Improves area land values
  - Farmersville in some ways has control over the process as long as MM is party to the process

# Strategy Development (Cont.)

- Partner with MM and Enter into a Development Agreement (Cont.)
  - Unfortunately Farmersville cannot give up its right to set or change ordinances