



**CITY OF FARMERSVILLE
FARMERSVILLE ECONOMIC DEVELOPMENT CORPORATION MINUTES
NOVEMBER 21ST 2019, 6:30 P.M.
COUNCIL CHAMBERS, CITY HALL
205 S. Main Street**

CALL TO ORDER

The Farmersville EDC met in regular session on November 21st, 2019 at 6:31 p.m. in the City Hall Council Chambers with the following board members present: Jason Lane, Diane Piwko, Robbie Tedford and Randy Smith. Absent Bob Collins. Special guest recognized Councilman Mike Hurst, Ben White City Manager, Tommy Ellison TIRZ representative and Daphne Hamlin City Accountant

RECOGNITION OF CITIZENS AND VISITORS

No visitors

PUBLIC COMMENT

No Comments

RECEIVE UPDATE ON COLLIN COLLEGE

Mr. White updated the EDC Board regarding Collin College construction is underway. Ground breaking ceremony is December 6th, 2019. Farmersville Electric is ready to install. Waiting for College to let us know when installation is needed. Materials are ordered and ready to go. DBI continuing forward with plans for Farmersville Parkway and Collin Parkway, bids will go out first quarter 2020. College has asked for minor changes on rates and will go before City Council this upcoming meeting.

RECEIVE UPDATE ON CONCRETE FACILITIES

Reliable Concrete is continuing construction of new batch plant. Reliable Concrete has installed a large part of their equipment. Waiting on installation of control room and office. Hope to be up in December. Reliable Concrete is planning on finishing out concrete in their area before serving public. The 12 inch water line installed by City crews is ready and able to service water in that area. Disinfected new line last week approximately 500 feet past the corner of Advanced Fixtures. Nelson Brother - we are currently working with them on a request for annexation. Nelson Brothers Plat is complete. Martin Marietta - nothing has really changed the development

agreement is in their hands and have not seen changes they are requesting. TCEQ denied Martin Marietta's permit and I have the paperwork if anyone wants to see it. Martin Marietta will fix what is needed and reapply for permit. Mr. Smith asked any indication when Martin Marietta will reapply. Mr. White stated assumption is as quickly as they can.

RECEIVE UPDATE ON SALES TAX REPORT

Mr. White stated asked for report from the State that provides an overall view of what is happening from month to month with each entity. We will have data all the way back from 2017. Generally speaking sales tax are up. Ms. Hamlin gave a history of sales tax from 1987 to current on what the City has received and what EDC has received in this fiscal year. Mrs. Piwko asking to keep up with this report annually. Mr. Smith asked if we would want this report before we begin budget process. Mr. Smith stated maybe in August. Mr. White stated we begin budget process in May. Mr. White stated maybe we should request sales tax information twice a year.

RECEIVE UPDATE ON GRANT LOAN PROGRAM FOR BUSINESSES

Mr. Lane stated that while the Type A corporation has the authority to make loans, Tex. Loc. Gov't Code § 501.155(a), the loan has to be associated with the provision of land, buildings, equipment, facilities, expenditures, targeted infrastructure and improvements that are for the creation or retention of primary jobs for qualifying projects such as: manufacturing and industrial facilities; research and development facilities; military facilities, including closed or realigned military bases; recycling facilities; distribution centers; small warehouse facilities; primary job training facilities for use by institutions of higher education; and regional or national corporate headquarters facilities. Tex. Loc. Gov't Code § 501.101.

Mrs. Piwko stated we cannot make a loan but we can give a grant is that the way I interpreted the message from the Attorney. Mr. Lane is requesting that we ask the Attorney if we can grant money instead of loan. Just need clarification.

CONSIDER, DISCUSS AND ACT UPON LOAN REPAYMENT SCHEDULE FOR THE ELECTRICAL SUBSTATION LOAN

Mr. White stated in the packet is a repayment schedule for the substation loan with a pay back over 2 years. Mr. White is asking the EDC for approval before going to council. Mrs. Piwko suggested holding of a year waiting on development around the College. Mr. White stated City is comfortable and feels we are able to payback starting 1-2020. Mr. White stated it may be possible we will come back to EDC board to assist with the new substation. Motion from Mr. Tedford to accept repayment schedule, second by Mr. Smith, all in favor. Motion passed unanimously. Reference: Resolution number: R2019-1126-002

CONSIDER, DISCUSS AND ACT UPON RESOLUTION SUPPORTING GRANT MATCH FOR STREET IMPROVEMENT

Mr. White explained why this came up so fast. Mr. White stated he did not think we qualified but due to the resolution City Council past we could apply for the grant. Went ahead and took a risk to see if the City could be awarded the grant before asking for the 20% match needed toward the grant. In the EDC Agenda packet is

the capital improvement plan map and the part in the red is what we are hoping to do with the original TIRZ Bond. This will make Collin Parkway a 4 lane divided adjacent from the College and takes the portion of Farmersville Parkway adjacent from the College and makes it 4 lane divided. To qualify for this grant program from Collin County it had to be on a thoroughfare plan and on Collin County thoroughfare plan. This is one of the few that is on the thoroughfare plan and makes sense to put in this bond program. Mr. White stated he was looking for ways to qualify for this grant and this is what I came up with. Mr. White read the task narrative:

“This project reconstructs Farmersville Parkway from a 2 lane chip seal roadway to a four lane divided concrete street from 280 feet west of Welch Drive to State Highway 78 project develops and installs 69 foot wide concrete street with a 15 foot wide median with a 100 foot wide right of way that is approximately 3,200 feet in length, 6 foot wide concrete sidewalks will be included on both sides of street along with storm water drains. Some right of way acquisition is anticipated. No lighting is included in this project”.

The total cost of the project is \$4,571,000.00. Match from Collin County is \$3,657,000.00. TIRZ match will be \$229,000.00 and EDC Match will be \$685,000.00. Mr. White stated the reason he is requesting the match from EDC is that TIRZ has already approved for street renovations in the next budget year. This is an opportunity to go forward and finish out the street around the College. Mr. White stated also what he will do in turn is go to NCTCOG and ask for them to participate in the project on widening Highway 78 from Highway 380 just past McKinney Street to 4 lanes. Mr. White is asking EDC board for comments. Mr. Tedford stated he reviewed and this will take a large part of our funds currently do not know of anything else that we have working on as a better alternative, but taking advantage of a 80% match. As the College comes and it will become the number 1 economic driving factor. Mr. Tedford thinks it would be the best use of our funds at this time and wholly support this opportunity. Mr. White stated we have not been granted funds yet, Collin County will have to approve and we are in competition with other Cities for these funds. Mr. White stated it would help to talk with our County Commissioners. Mr. Smith asked does this really fit into economic development. Is this really something 4A should be doing? This is not really going to create any additional sales tax or permanent jobs. Mr. White said it will bring people to our town and spend money. People will be traveling to our location, spending time in our City spending money in or City. It will create jobs example lawn maintenance, building maintenance, Etc. Mrs. Piwko feels that it will bring residential development into that area. Mr. Smith stated that's my point it's residential not what EDC is designed for. Mr. Tedford stated he feels that area will become the center hub of Farmersville, not the downtown area. The roadway will bring economic development to that area. Mr. Smith stated but the roadway has been planned for 12 to 15 years. Mr. Smith stated again from a fiduciary perspective it does not fall under EDC guidelines, I can see the City doing it. I can even see TIRZ doing it. Mr. Smith does not feel it falls under EDC, what I can see is possibly making a loan to the City. Mr. White feels a 4 lane divided road would present itself as an opportunity to grow commercial sights up to the roadway and off behind residential. Mr. Smith said it is not proposed commercial currently. Mrs. Piwko said \$685,000.00 going towards this grant is a third of what

the EDC Board has in our coffers. The \$685,000.00 probably will not be spent all in this budget year. We could increase budget by 200k per year to replace funds. Mr. Smith stated it is not the cash flow it is more the purpose of the EDC Board mission statement of creating jobs. Mr. Tedford stated he feels that the roadway would create jobs. Mr. Smith feels it would be best to give the City a loan like we have with other projects. Mr. White stated City cannot handle the funding at this time. It is an opportunity to complete the roadway around the College. When this roadway is improved more people will travel through that area. Mr. Smith said yes but are we actually creating jobs. Mrs. Piwko stated she sees this opportunity as a safety issue as well. Mr. Ellison addressed the board to help understand the economic factors around this grant. We are looking at 3 or 4 factors that need to be considered. First of all we will get a \$4 million investment from an outside party development, that's an economic development. That's money coming into your City that is going to be a capital project. A big portion will be spent on labor. While these people are here they will be buying food in our City and buying gasoline in our City. It is an economic investment, infrastructure proceeds development. No one wants to develop a major project when you have a beat up road. City Council has adopted a resolution that enables this grant to go forward and as a member of this board we need to be supportive of this project. TIRZ is going to match, we have not voted but feel strongly the board will be support of this project. Strongly encourage your support we do not have another alternative that will bring \$4 million into the City. We need to act now and act together and be supportive of this project. It is critical it will bring traffic from Highway 380 all the way around the college and exit out onto Highway 78. Mr. Smith stated the plan has been to build the road for years. Mr. Smith stated the City has had time to plan for this, collecting taxes off of Industrial Parks that are served by that. Mr. Smith does not see economic development. Mr. Tedford said he felt the same when he first reviewed the grant. I took time to study and think about that area and how it could be developed and this is an opportunity. This is not us against the City. We are here to support that growth and these projects. It's a good opportunity I feel this is a huge project for Farmersville. Everything that drives this community is in that area. Mr. Tedford stated he is supportive and we may not even receive the grant. Mr. Smith said the board has a fiduciary responsibility. Mr. Tedford stated our job is to support economic growth. One of the things EDC is committed to do was to support the college and that area this is the most single thing we can do for the City. Mr. Lane asked for a motion to approve grant match in the amount of \$685,000.00, motion by Mr. Tedford, second by Mrs. Piwko. Mr. Smith denied. Motion passed.

CONSIDER, DISCUSS AND ACT UPON ITEMS FOR PAYMENT

- o Motion made by Mr. Tedford to accept items for payment as listed (City of Farmersville reimbursement for electrical system in the amount of \$62,929.00), seconded by Mrs. Piwko, all in favor, motion passed unanimously

CONSIDER, DISCUSS AND ACT UPON FINANCIAL STATEMENTS FOR OCTOBER 2019 AND BUDGET AMENDMENTS

- o Motion made by Mrs. Piwko to approve financials with changes noted on the October 2019 financials, second by Mr. Tedford. Motion passed all in favor.

CONSIDER, DISCUSS AND ACT UPON MEETING MINUTES FOR OCTOBER 24TH 2019

- o Motion made by Mrs. Piwko to approve meeting minutes as submitted with changes noted on the October 24th 2019, second by Mr. Smith. Motion passed all in favor.

CITY MANAGER REPORT

Collin College

1. Construction is underway!
2. Ground breaking ceremony is 6 Dec 2019 at 9:00.
3. Farmersville Electric is ready to install temporary electric once we get okay from College to proceed. Materials are available.
4. DBI is continuing forward with development of engineering plans for Farmersville Parkway and Collin Parkway. Project will go out for bid first quarter of 2020.
5. The City has been asked by the College to make minor changes to their large customer electrical rate agreement.

Concrete Facilities

1. Reliable Concrete continues construction of their new concrete batch plant. New plant hardware is installed and awaiting control room/office installation.
2. The 12" water line is capable of providing water. The meter is set. We are currently installing fire hydrant and valve at the corner of US 380 and CR 699. An incredible job by our Public Works department!
3. We are currently working to get request for annexation paperwork complete with Nelson Brothers.
4. Nelson Brother's plat is complete.
5. Council has reviewed the development agreement with Martin Marietta. Negotiations continue.
6. TCEQ denied the permit to Martin Marietta for their batch plant.

City Manager Report

1. Lake Haven no new news here. Their main concern is the cost to develop the wastewater treatment plant. They have asked us if there are options to reduce the cost and/or phase the project. We are working on those options with Kimley Horn.
2. Camden Park: Phase III continues. DR Horton will be meeting with Camden tomorrow to discuss possibly buying the phase III lots.
3. Palladium development continues.
 - a. Club house and pool are open.

- c. Wastewater line is complete.
- d. They are having problems getting internet connectivity to the facility. Issues are being worked out as we speak with Spectrum.
- 4. City Owned Broadband Utility survey has been sent out. The TIRZ Board has provided funding to Texas A&M Commerce to help us with the survey regarding:
 - a. Survey development
 - b. Survey data analysis
 - c. Analysis of other municipal high speed internet systems: Mont Belvieu and Hudson Oaks
 - d. Presentation package

REQUESTS TO BE PLACED ON FUTURE AGENDAS

Concrete street timing

Thoroughfare map

TEX-21

EDC Roundtable

Infiltration issues

Infrastructure update/wastewater bond

Plant 1 and 2 how much capacity/improvements

Collin College/staffing/courses/economic impact Dr. Collins


Sales Tax

ADJOURNMENT

On a motion from with a second from Mr. Tedford meeting was adjourned at 7:37p.m.

ATTEST:

APPROVE:



Diane C. Piwko, Secretary



Jason Lane, Chairman