

MINUTES

BRENHAM COMMUNITY DEVELOPMENT CORPORATION

November 21, 2019

A regular meeting of the Brenham Community Development Corporation was held on November 21, 2019, at City Hall, 2nd Floor Conference Room, 200 W. Vulcan, Brenham, Texas beginning at 7:30 a.m.

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

Board members not present were Atwood Kenjura.

City of Brenham staff members present were James Fisher, Carolyn Miller Jeana Bellinger, Dane Rau, Stephanie Doland, Susan Cates, Tammy Jaster, Casey Redman and Rebecca Ruffino.

Others in attendance were Mayor Milton Tate.

- 1. Chairman Charles Moser called the meeting to order.**
- 2. Invocation and Pledges to the U.S. and Texas Flags followed.**
- 3. Discuss and Possibly Act Upon the Approval of the Minutes from the April 24, 2019 and August 8, 2019 Regular Meetings**

A motion was made by John Hasskarl and seconded by Darrell Blum to approve the minutes from the April 24, 2019, and August 8, 2019, regular meetings.

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 Gary Crocker	Yes
Board Member Darrell Blum	Yes
Board Member Atwood Kenjura	Absent
Board Member John Hasskarl	Yes
Board Member David Cone	Yes

4 Discuss and Possibly Act Upon FY2018-19 Fourth Quarter Financial Reports

Assistant City Manager and Chief Financial Officer Carolyn Miller presented this item. Miller advised the Board of the following:

Sales Tax Revenue:

Actual FY19 sales tax revenue of \$1,739,159 finished the year \$33,458 or 1.96% ahead of budget, and \$122,308 ahead of FY18 actuals of \$1,616,851.

Financial Statements:

- The *Economic Development* operations report shows an operating surplus of \$140,321 for FY19, increasing fund balance for this operation to \$114,290.
- The *Recreation* side ended the year with an operating deficit of (\$263,802), decreasing fund balance for this operation to \$745,678. This deficit was anticipated at the time of FY19 budget preparation and is a result of BCDC transferring \$500,000 of fund balance reserves to the BCDC Capital Projects Fund for the potential grant match for the Southside Family Park.

BCDC Capital Projects:

BCDC transferred \$500,000 into this fund in FY19 to be designated as matching funds for a Texas Parks and Wildlife Grant for the Southside Family Park.

A motion was made by David Cone and seconded by John Hasskarl to approve the FY2018-19 fourth quarter financial statements 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 Gary Crocker	Yes
Board Member Darrell Blum	Yes
Board Member Atwood Kenjura	Absent
Board Member John Hasskarl	Yes
Board Member David Cone	Yes

5 Discuss and Possibly Act Upon Ratification of Contributions Paid for AMG Technology Investment Group, LLC's (d/b/a Nextlink) Participation in the Southwest Industrial Park, Section III, Detention Pond and Authorize the President to Execute Any Necessary Documentation

Assistant City Manager and Chief Financial Officer Carolyn Miller presented this item. Miller explained that the Board approved a payment of a \$3,545 per acre, in the Performance Agreement with Nextlink, as an incentive for Nextlink's six-acre project in SWIP Section III.

Miller advised that in order to facilitate the closing of the fiscal year, the Finance Department has posted the journal entry for the BCDC contribution in the amount of \$21,270 and this action needs to be ratified by the BCDC Board.

A motion was made by Gary Crocker and seconded by Darrell Blum to ratify contributions paid for AMG Technology Investment Group, LLC's (d/b/a Nextlink) participation in the Southwest Industrial Park, Section III, Detention Pond and authorize the President to execute any necessary documentation 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 Gary Crocker	Yes
Board Member Darrell Blum	Yes
Board Member Atwood Kenjura	Absent
Board Member John Hasskarl	Yes
Board Member David Cone	Yes

6 Discussion and Update on the Bid Process and Bid Award for the Regional Detention Ponds Located in the Brenham Business Center and the Southwest Industrial Park, Section III

City Secretary Jeana Bellinger presented this item. Bellinger provided the Board with brief overviews of the bid awards for the detention ponds located in the Brenham Business Center and Southwest Industrial Park, Section III:

Brenham Business Center

The City along with Strand and Associates opened bids related to this pond on October 3, 2019. There were 5 bids received with the contract being awarded by Council on October 17th to Lonnie Lischka Company, LP at \$382,916.34. Their bid included Alternate 1 (\$26,957.55) and Alternate 2 (\$41,487.84).

The scope of work includes the construction of a large regional detention pond for the area north of Woodward Creek. This involves excavation, installation of 18", 42" and 72" concrete pipe, wingwalls, sloped paving, soil retention blankets, seeding, and sediment control fencing. Alternate 1 consists of modifications to correct detention requirements for the Precision Polymer Engineering site and Alternate 2 consists of drainage improvements to correct detention requirements for Advanced Data Storage.

Southwest Industrial Park, Section III

The City along with Jones and Carter representatives opened bids related to this pond on October 3, 2019. There were 7 bids received with the contract being awarded by Council on October 17th to South Central Texas Excavation & Construction, LLC in the amount of \$269,245.48.

The scope of work includes additional excavation of the current detention pond, vegetation removal, outfall improvements, and sloped concrete additions so that the detention pond can function for many years to come as it serves development in the Southwest Industrial Park.

7 Discuss and Possibly Act Upon Financing Options for Costs Associated with the Construction of Regional Detention Ponds Located in the Brenham Business Center and the Southwest Industrial Park, Section III, and Authorize the President to Execute Any Necessary Documentation

Assistant City Manager and Chief Financial Officer Carolyn Miller presented this item. Miller advised that when discussing debt issuance for the City to include the construction of the detention ponds, staff learned that these projects are not eligible for debt financing via certificates of obligation as the projects are considered public infrastructure and will primarily only benefit the two business parks.

Miller explained that since the detention ponds are not an allowable use of debt financing, BCDC needs to discuss options for financing the construction of these two ponds. Miller advised the Board of the following option:

Option 1 – Construct Both Ponds

- Interfund borrowing from Recreation of \$420,465
- Repay over 20 years with 3.5% interest – annual debt service payment of approximately \$29,500
- Repay over 15 years with 3.5% interest – annual debt service payment of approximately \$36,500
- Prepay with land sale

Option 2 – Construct BBC Pond Only

- Interfund borrowing from Recreation of \$295,948
- Repay over 20 years with 3.5% interest – annual debt service payment of approximately \$20,800
- Repay over 15 years with 3.5% interest – annual debt service payment of approximately \$25,700
- Prepay with land sale

Option 3 – Construct SWIP III Pond Only

- Interfund borrowing from Recreation of \$124,516
- Repay over 20 years with 3.5% interest – annual debt service payment of approximately \$8,700
- Repay over 15 years with 3.5% interest – annual debt service payment of approximately \$10,800
- Prepay with land sale

A motion was made by John Hasskarl and seconded by Darrell Blum to approve a transfer from Recreation to Economic Development for \$420,465 to be repaid over ten (10) years beginning in FY2020 through FY2029 at an amount of \$42,047 per year for the first five years and \$42,046 each year for the remaining five years and accelerate repayment of this transfer with detention pond contributions and net proceeds from land sales when they occur.

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 Gary Crocker	Yes
Board Member Darrell Blum	Yes
Board Member Atwood Kenjura	Absent
Board Member John Hasskarl	Yes
Board Member David Cone	Yes

8 Discuss and Possibly Act Upon the Allocation of Funding for a Community Development Coordinator Position in January 2020 and Authorize the President to Execute Any Necessary Documentation

Assistant City Manager and Chief Financial Officer Carolyn Miller asked that the Board pass this item.

9 Discuss and Possibly Act Upon the Award of Bid No. 19-006 Related to the Lease of Land for Hay Production in the Brenham Business Center and Southwest Industrial Park and Authorize the President to Execute Any Necessary Documentation

City Secretary Jeana Bellinger presented this item. Bellinger explained that the Brenham Business Center and the Southwest Industrial Park have been leased for hay production by Carey Council at a rate of \$12.00 per acre (\$2316.96 per year) for 193.08 acres. Bellinger stated that since the total acreage has changed slightly and this lease has not been bid out since 2016, staff thought it was a good time to put it out for bid to see if we could get a more competitive per acre rate.

Bellinger stated that the bid was issued on October 21st and on November 15th staff opened four (4) bids and the highest bid received was from Dustin Majewski at \$18.00 per acre (\$3,416.58 per year) for 189.81 acres. Bellinger explained that the lease would be for a period of one-year, with an option to renew for four (4) additional years, if all terms are agreed to by both parties.

A motion was made by Bill Betts and seconded by Darrell Blum to award Bid No. 19-006 for the lease of land for hay production in the Brenham Business Center and the Southwest Industrial Park, Section III, to Dustin Majewski in the amount of \$18.00 per acre and authorize the President to execute any necessary documentation 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 Gary Crocker	Yes
Board Member Darrell Blum	Yes
Board Member Atwood Kenjura	Absent
Board Member John Hasskarl	Yes
Board Member David Cone	Yes

10. Administrative Updates

- **Meeting Dates and Times for 2020**

- April 9, 2020
- June 11, 2020 (*FY2020-21 Funding Meeting – this date may change*)
- August 13, 2020
- November 12, 2020

- **Baker-Katz**

- Traffic Impact Analysis
- Traffic Signalization

The meeting was adjourned.



Charles Moser
Chairman



Jeana Bellinger, TRMC, CMC
BCDC Secretary/City Secretary