

MINUTES
WATAUGA ECONOMIC DEVELOPMENT CORPORATION
VIDEOCONFERENCE MEETING
TUESDAY, SEPTEMBER 15, 2020
6:00 PM

CALL TO ORDER:

President Miner called the meeting to order by videoconference at 6:07 PM.

DIRECTORS PRESENT:

Art Miner, President, Place 1	Attended by Videoconference
Jan Hill, Place 3	Attended by Videoconference
Damon Solko, Place 4	Attended by Videoconference
Mike Alexander, Place 5	Attended by Videoconference
VACANT, Place 7	

DIRECTORS ABSENT:

Amirali Fazalbhahi, Place 2	Absent with Notice/ Oath not completed
Cheneya Cruze, Place 6	Absent with Notice/ Oath not completed

CITY STAFF PRESENT:

Andrea Gardner, City Manager	Attended by Videoconference
Sandra Gibson, Finance Director	Attended by Videoconference
Lovie Downey, Primary Council Liaison	Attended by Videoconference

and

Aaron Farmer, Retail Coach

PUBLIC TESTIMONY

Request to Speak Forms were not received.

REPORTS FROM STAFF

1. Monthly Financial Report for the period ending July 31, 2020

Ms. Gibson presented the item to the Board that included a fluctuation in sales tax receipts for the following months:

- March decreased 14%
- April decreased 24%
- May decreased 6%
- August increased 13.18%

Ms. Gibson also reported that there has been an uptick of online retail sales for August as receipts from prior years were flat. The July report indicates 83% of budget used with a sales tax of 79% and expenditures at 71%, which is better than expected due to the pandemic.

There were no questions or comments from the Board.

APPROVAL OF MINUTES

1. Discuss and consider action to approve the meeting minutes for the WEDC Regular

Director Solko made a motion to approve the minutes as presented. Motion seconded by Director Hill.

Motion carried 3-0.

Ayes: Hill, Solko, Alexander

Nays: None

PRESENTATIONS

1. Presentation and update to the WEDC Board from Retail Coach on consultant activities from April 2020 to July 2020 to include new business recruitment and the impacts of the COVID-19 Pandemic on economic development activity

Mr. Aaron Farmer provided a presentation to the Board that included the following:

- Retail shopping center visits dropped as low as 23,000 in March and is back up to 90,000 in August
- Restaurants visits increasing although not as well as retail
- Watauga represented at Retail LIVE Conference held September 3
- New Business Recruitment
 - Smoothie King (Second Location)
 - Blaze Pizza
 - National Brand Furniture Store
 - Ollie's Bargain Outlet
 - Ulta (Delayed but now re-engaged)
 - HTeaO
- Local Option Election
 - Group of local citizens are working directly with a potential developer/tenant to have item on May 2021 ballot

Mr. Farmer stated that retail recruitment is expected to rebound in the fourth quarter of 2020 and first quarter in 2021; an update will be provided at October meeting. He also stated that he plans to attend tradeshows hosted by ICSC Red River State in January/February 2021 and ICSC RECON in May 2021.

President Miner inquired regarding the developer and the citizens group involved with the petition. Mr. Farmer responded that he has spoken with the citizen's group multiple times and they see a need and opportunity and are working to meet the state requirements to get item on the May ballot.

Ms. Gardner stated that she executed petition pages to petitioners today, September 15, 2020, to begin collecting signatures.

Mr. Farmer commented that this has been an interesting time and good news is a lot of small business will survive.

The Mayor commended Ms. Gardner's efforts in reaching out to a number of businesses that were struggling early on in the pandemic.

NEW BUSINESS

- 1. Discuss and consider action to approve a professional services agreement with Burgess & Niple to provide professional engineering services for the completion of the EDA grant application and design of the Business Incubator project and authorize the Executive Director to execute said agreement**

President Miner pointed out a \$265,000 increase in project estimates with the addition of a commissary building and entertainment area that also include engineering, survey, construction and contingency fund. He also stated that the outcome hinges on the 80/20 grant approval and Burgess & Niple has agreed work to reduce fees if the grant does not come through.

Director Hill made a motion to consider approval. Motion seconded by Director Solko.

President Miner read comments submitted by Ms. Sharon Gehle, 7725 Partridge Dr., Watauga; Mr. Chuck Hubbard, 5948 Hillglen Dr. Watauga; and Ms. Andra Dunn, 6516 Alta Vista Dr. Watauga. *(Comments will be archived with approved minutes)*

Ms. Gardner provided additional comments for the board's consideration with feedback from other cities that have developed a similar park project.

Director Hill asked for clarification on cost of the feasibility study in which Ms. Gardner addressed.

Director Hill also asked about the contingency fund and if the increased amount for electrical was due to the commissary building and also stated concern regarding parking. President Miner stated that the contingency fund increased due to the electrical in the commissary building. Ms. Gardner stated that there are no changes in parking; however, the city has the ability to enter into a shared parking agreement with the adjacent property owners. Ms. Gardner also commented that after visiting other city sights that had less parking and visiting with the vendors, they advised that parking and congestion was not an issue for them.

As there was no additional discussion, President Miner called for the Board to vote.

The motion carried 3-0.

Ayes: Hill, Solko, Alexander

Nays: None

ADJOURNMENT

With no additional business to discuss, President Miner adjourned the videoconference meeting at 6:52 p.m.

APPROVED: this the 20TH day of OCTOBER 2020.

SIGNED: this the 17TH day of NOVEMBER 2020.

Arthur L. Miner /s/
Arthur L. Miner, President

Amirali (A.J) Fazalbhai /s/
Amirali (A.J.) Fazalbhai, Secretary

Print**WEDC September 15, 2020 Comment Registration - Submission #27538**

Date Submitted: 9/15/2020

Members of the public are invited and encouraged to attend all public meetings that are not closed to the public in accordance with the Texas Open Meetings Act. Public input is encouraged during Public Testimony, Public Hearings or Action sections of a meeting agenda. As authorized by the Executive Orders issued by the Texas Governor; the City and WEDC are making special provisions to allow the public to comment at this meeting. The meeting will be hosted using WEBEX. "Live" participation is limited. A person desiring to comment "live," during the meeting must register in advance using this form. Once registered, citizens will be provided with the meeting link information on a first come, first served basis until all slots have been filled.

Citizens may also provide their comments in writing. ALL COMMENTS MUST BE RECEIVED NO LATER THAN 1 HOUR PRIOR TO THE MEETING. All written comments must comply with applicable decorum rules for comments made during a public meeting of the Watauga Economic Development Corporation Board to be read into the record. Up to three minutes shall be allotted for each written comment to be read into the record of the meeting. All timely comments will be read into the record of the meeting at the appropriate time during the meeting.

While reasonable efforts will be taken to gather comments received within the hour prior to the meeting or received during the meeting, all such comments are considered untimely and may not be recognized and read during the meeting.

First Name*

Sharon

Last Name*

Gehle

Address1*

7725 Partridge Drive

Address2**City***

Watauga

State*

TX

Zip*

76148

Email***Phone**

I wish to comment during (check all that apply):*

- ☐ Public Testimony
- ☒ New Business 1

Select how you wish to participate:

If you select WEBEX, a meeting invite will be sent to the email address you provide. You will need to have internet, a device that can connect with audio and/or a phone. You will be responsible for connecting to the meeting and being available when the section you are requesting to speak during is current.

Select an option:*

- ☐ Connecting to the meeting using WEBEX
- ☒ Having my comments read into the record

Comments - Indicate which section of the meeting your comments refer to:

To the WEDC board members,

I urge you to postpone any and all decisions regarding the incubator space until AFTER the feasibility study is complete and provided for view to the citizens of Watauga. It does not make sense that Watauga would move forward with this project until it is determined that the incubator project is feasible. There is also substantial concern over the escalating construction cost estimates, which started out at \$481,906, and is now \$745,906 (Exhibit B found on p. 29 of the 9/15/2020 Agenda Packet). The most recent construction cost estimate is above the budget approved for this item.

While I do realize there is a potential grant available for up to 80% of the cost, the grant is NOT guaranteed and City of Watauga may or may not receive any of the grant funding. Any decisions made on the incubator space should be made contingent to receiving 80% of grant funding for this project.

Thank you for your consideration.

Print**WEDC September 15, 2020 Comment Registration - Submission #27540**

Date Submitted: 9/15/2020

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First Name*

Chuck

Last Name*

Hubbard

Address1*

5948 Hillglen Drive

Address2**City***

Watauga

State*

TX

Zip*

76148

Email***Phone**

I wish to comment during (check all that apply):*

- ☐ Public Testimony
- ☒ New Business 1

Select how you wish to participate:

If you select WEBEX, a meeting invite will be sent to the email address you provide. You will need to have internet, a device that can connect with audio and/or a phone. You will be responsible for connecting to the meeting and being available when the section you are requesting to speak during is current.

Select an option:*

- ☐ Connecting to the meeting using WEBEX
- ☒ Having my comments read into the record

Comments - Indicate which section of the meeting your comments refer to:

Dear WEDC Board, I would like to ask a couple questions regarding the food truck park/incubator site. The approved budget by the Council and the WEDC for this project was originally \$481,906.00, with a note that this budget did not include the stage, seating or table was not included in this budget. The WEDC then approved to spend \$5000.00 to complete a feasibility study on a possible grant to offset some of these expenses for this project. The new estimate included in tonight's agenda packet has the total cost estimate now at \$745,906.00, which includes a \$65,000 fee to be paid to Burgess and Niple if the WEDC approves hiring them to offer services on this project. This is a \$264,000 increase, almost 65% cost increase, from the original approved budget for this project by the WEDC and the City Council. What is this extreme increase in budget for? I thought the purpose of applying for any applicable grant was to offset and lower the out of pocket the city will pay thru taxation for this project? Not to inflate the project by any grant amount received. How much is the EDA grant worth? Also, given the historical significance of the splash pad and the grant falling thru on that project after it was approved thru council, would it not be prudent to put a hold on this project until any grants being sought are secured, prior to committing any money to this project, especially given that we the citizens have little confidence on what this project will ultimately cost our city. I ask this project to be placed on hold at least until we return to a state of normalcy with the pending pandemic, we have a definitive answer on any pending grant applications, and we have a confirmed hard budget number for the complete project. Breaking ground on this project is not hindered by taking a moment of pause. This would give us time to get an accurate cost analysis of this complete project, including the stage, seating and table, so prior any further decision making by the WEDC or council, we will have all of the information on how much fiscal liability this will be to all of our city's citizens and if it is truly a feasible project. This would also allow for the citizens to be educated and informed on the complete scope of this project prior to locking us into a expenditure prior to having all the T's crossed and I's dotted. Thank you for your time.

Print**WEDC September 15, 2020 Comment Registration - Submission #27541**

Date Submitted: 9/15/2020

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First Name*

Andra

Last Name*

Dunn

Address1*

6516 Alta Vista Dr

Address2**City***

Watauga

State*

TX

Zip*

76148

Email***Phone**

18174499636

I wish to comment during (check all that apply):*

- ☐ Public Testimony
- ☒ New Business 1

Select how you wish to participate:

If you select WEBEX, a meeting invite will be sent to the email address you provide. You will need to have internet, a device that can connect with audio and/or a phone. You will be responsible for connecting to the meeting and being available when the section you are requesting to speak during is current.

Select an option:*

- ☐ Connecting to the meeting using WEBEX
- ☒ Having my comments read into the record

Comments - Indicate which section of the meeting your comments refer to:

I have serious concerns about this incubator project and the increasing costs that exceed the approved budget. Especially in this time of a pandemic when so much of our economy is unknown. I would prefer to see this project tabled or even scaled back to remain in the approved budget regardless of the status of any grants. We don't need another splash pad catastrophe at this time.