

**MINUTES OF SPECIAL JOINT MEETING OF THE
LAMPASAS ECONOMIC DEVELOPMENT CORPORATION BOARD
OF THE CITY OF LAMPASAS, TEXAS
WITH THE GOVERNING BODY OF THE CITY OF LAMPASAS, TEXAS
WEDNESDAY, MARCH 20, 2019
CITY COUNCIL CHAMBERS
405 SOUTH MAIN STREET
5:30 P.M.**

The Lampasas Economic Development Corporation of the City of Lampasas met in regular session on the above date with President Charlie Pratus, III, presiding.

LEDC Members Present:

Charlie Pratus, III
Neal Leavell
Steve Hudson
TJ Monroe
Misti Talbert
Roland Schaub
David Millican-Ex-Officio
Jamie Smart-Ex-Officio

LEDC Members Absent:

Ronnie Vineyard

City Staff Present:

Finley deGraffenried, City Manager/Executive Director
Gary Cox, Assistant City Manager
Mandy Walsh, Economic Development Director
Christina Marez, City Secretary

REGULAR SESSION

I. Call to Order and convene into Joint Session

President Pratus called the regular session to order at 5:30 p.m. and immediately went into Joint Session.

JOINT SESSION

II. Discussion and possible action regarding presentation by Foresite Group, Inc. related to technology infrastructure design, assessment and inventory.

City Council members that were present at the meeting were Misti Talbert, T.J. Monroe, Robert McCauley, Chuck Williamson and Cathy Kuehne. (Absent: Delana Toups and Mike White)

Mandy Walsh, Economic Development Director, introduced Jonathan Ramos and Cody Miller with the Foresite Group, Inc. She explained that they will be reviewing a presentation related to technology infrastructure design, assessment and inventory. She noted that if anyone had a question during the presentation, please ask any questions at any time.

The Foresite presentation included the following:

- Market Assessment Status
 - Strategy Sessions
 - Preliminary Design
 - Online Survey
 - Business Plan
- Notes from Strategy Planning
- Auto- Design/Preliminary Design – FCC Low Service Area
- Lampasas FTTH Design (Fiber to the house design)
- Online Take Rate Survey/Demand Aggregation – 90% responded favorably
- Two approaches for Deployment
 1. Open Access Network Model
 2. Dark Fiber
- What is Open Access?
 - Owner-operated network independent of ISP's
 - ISP – handles customer service – does not handle any maintenance
 - City would own fiber and lease to different networks
- Open Access Networks (OAN)
 - Pros –
 - Diverse Market Place
 - Competitive Market Place
 - Flexibility
 - Increased Economic Development
 - More profitable
 - Cons –
 - More Expensive
 - Complex to implement
 - Risky
 - Software Compatibility
- Real World Example of OAN
- Lampasas Financial Model – Revenue OAN Pro Forma
- What is Dark Fiber?
 - Pros
 - Less Complex
 - Less Initial and Long Term Investment
 - Low Risk
 - Faster Deployment
 - Increased Economic Development
 - Less Competitive Market
 - Less Diversity of ISP choices
- Real World Examples of Dark Fiber – Centennial, Colorado and Huntsville Utilities
- Dark Fiber Lease Network Pro Forma
- What Does the Fiber Cost – cost difference between Open Access and Dark Fiber
- Lampasas Advantages
 - Lampasas Electric Utility – Owning the poles and providing electric service means the City has the experience managing infrastructure on this scale and in a similar space.
 - Rural eConnectivity Pilot Program – 100% grant; 50/50 Grant/Loan, 100% Loan options
 - Pilot Program map
- Phased Approach – reviewed five phases

1. Backbone construction
 2. Shelter and site prep
 3. 40 anchor institutions
 4. All premises within 1,000 feet of backbone
 5. Residential/Business services East and West
- Foresite recommendations
 1. Build a Dark Fiber
 2. Apply for a Grant
 3. Public or Private Partnership
 - Reviewed Funding Options
 - Reviewed Lessons Learned from other Markets
 - Next Steps

There was discussion on Grant and Loan opportunities and the required deadlines of each.

III. Adjourn Joint Session and convene into Regular Session

President Pratus adjourned the Joint Session at 6:59 p.m. A brief break was taken and President Pratus reconvened Regular Session at 7:05 p.m.

REGULAR SESSION

IV. Open forum for citizens comments and questions (limited to five (5) minutes per person)

There were no citizen comments.

V. Discussion and possible action concerning approval of the minutes dated February 20, 2019

Board member Hudson moved to approve the minutes as presented. The motion was seconded by Board member Millican and with a unanimous vote, the motion carried. (Vineyard absent)

VI. Discussion and possible action regarding 2019-2020 Strategic Plan

Mandy Walsh, Economic Development Director, reviewed the following strategies:

- Goal 1: Internet
 - Foresite final presentation with options and recommendations
 - Meet and discuss opportunities with interested ISP's and Partners
 - Determine model type and funding
 - Develop agreement
 - Begin construction
- Goal 2: Marketing
 - Continue maintenance and updated information, news stories and tools for LEDC website and social media platforms
 - Promotion of Neon Cloud video on social media platforms; consider creating an updated video by 2020/2021
- Goal 3: Workforce Development

- Regular meetings between stakeholders
- Develop and implement apprenticeship program between LISD and local businesses
- Regional collaboration on workforce training and labor pool data for business recruitment
- Goal 4: Business Park Development
 - Review survey from Triple C and engineering plans from Eckermann Engineering
 - Create action steps following review
 - Develop marketing materials specific to business park once pad sites and utilities are complete
 - Attract prospects
- Goal 5: Retail Business Recruitment, Redevelopment, Downtown Development
 - Develop and distribute marketing materials to real estate brokers
 - Research grant opportunities to assist small business entrepreneurs in developing downtown businesses
 - Network opportunities in surrounding cities
 - Review our retail leakage report and assess retail needs and targets
- Goal 6: Business Retention and Expansion
 - Research and discuss training needs with current businesses, along with exploring opportunities for professional development and training
 - Explore opportunities to decrease operational costs by connecting with current suppliers
 - Research and offer workshops and training for current employers

Walsh also reviewed the Business Retention Visits for 2019-2020.

There was no action taken.

President Pratus moved back to agenda item II.

II. Discussion and possible action regarding presentation by Foresite Group, Inc. related to technology infrastructure design, assessment and inventory.

Discussion included deadlines on both the grant or loan funding and having the Sub Committee meet to discuss and review both options in further detail.

Board member Talbert moved to direct staff to pursue possible grant or loan funding to support increased broadband capacity. The motion was seconded by Board member Schaub and with a unanimous vote, the motion carried. (Vineyard absent)

President Pratus moved to Item VII.

VII. Discussion and possible action regarding booking Save Your Town's Deb Brown

Mandy Walsh, Economic Development Director, informed the Board that the cost for Ms. Brown is \$4,500.00 whether for one day or one week so the preference is for one week. She explained that the Chamber is willing to split the cost with the City to have her come. Ms. Brown would be here the week of May 13 through May 17.

Walsh reviewed the following schedule of what Ms. Brown has planned for the week she is here:

- Presentations to various groups throughout the week that will include:
 - New Approach to Economic Development
 - Rural Job Creation Strategies
 - Reviving Downtown
 - People are negative or stuck in the past
 - Small Town Trends
 - Attracting and retaining our youth
 - Gathering Volunteers presentation
 - Large Employer Roundtable
 - Small Business Roundtable
 - Downtown Walk Around/Pop Up
 - Rural Marketing and Customer Service for Retailers
 - Empty Building Presentation
- Training between Chamber and EDC:
 - Motivating our volunteers/boards/committees
 - Finding ways to become a destination city
- City Council, May 13
 - Introduce herself and ask a few questions
- Town Hall, May 14
 - Introduce herself, possibly speak
- EDC/Chamber Joint Session, May 15
 - Training/Presentations
- News at Noon, May 16
 - Presentation

Board member Schaub moved to approve the expenditure of the shared cost with the Chamber of Commerce for the services of Deb Brown in the amount of \$2,250.00. The motion was seconded by Board member Monroe and with a unanimous vote, the motion carried. (Vineyard absent)

Ex-officio Board member Smart left the meeting at approximately 7:45 p.m.

VIII. Update and possible action regarding February Financials

Mandy Walsh, Economic Development Director, reviewed the February financials with the Board. She indicated that the projections are good and sales tax is up.

Board member Talbert moved to accept the February Financials as presented. The motion was seconded by Board member Schaub and with a unanimous vote, the motion carried. (Vineyard absent)

IX. Update on the following:

- 1.) County and LISD Updates

With the absence of Ex-officio Board member Smart, there was no County update.

Board member Millican explained that student headcounts were up at approximately 3,380. Economic Development Director Walsh also reminded him of the basketball tournament this weekend with 52 teams being in Lampasas.

2.) Staff Updates

Mandy Walsh, Economic Development Director, reviewed the following:

- Rural Internship Program – Central Texas Council of Governments (CTCOG) and the Development District of Central Texas (DDCT) began accepting applications for the DDCT Rural Internship Program. This program awards scholarships to economic development programs for the internship of high school juniors or seniors in their local area. Students gain hands on experience in promoting economic development in rural communities. In turn, the community benefits through advanced efforts of economic development and assistance in cultivating ambassadors for rural Central Texas. \$500.00 scholarships are awarded to Chambers of Commerce, Economic Development Organizations or Departments of Tourism within the 7-county CTCOG region. Walsh informed the Board that she had applied for this, and if awarded, plans to share their time with the Chamber/Visitor Center. Start date would be in May.
- Downtown Tour – Walsh said that she had a recent developer reach out to her who is interested in our downtown. She set up four (4) vacant buildings with their owners to be toured. The developer was very impressed and is looking into our market and strategizing ways to develop. The developer also met with the owner of the Santa Fe Depot to discuss ideas with him, which went very well. In addition, the developer also met with a local broker to visit a few vacant lots near downtown that might work well for residential development. She received great feedback on how impressed the developer is with our community and she hopes to continue working with him on his development ideas in the coming months.
- New Opportunities – The City has had some recent business closings, and she encouraged everyone to visit them before their final day. Swain’s and Rutland’s should be open for at least another one to two months as they clear their inventory. These businesses were vital to our community, and we will miss the value they brought to our downtown, but we will embrace the change. Both buildings, thankfully, have been purchased and have conceptual plans in the works.
- CDI - Walsh attended the Community Development Institute at Lone Star College in The Woodlands and successfully completed her second year of a three-year training program in order to obtain certification for PCED (Professional Community & Economic Developer). She will complete this training next year in March and take a certification test. She has learned many valuable tools in this training as well as networking opportunities. At this year’s training program, a city had to be built from the ground up. It was very hands-on and helpful in many ways. She also had to give presentations regarding best practices in our communities. She learned about fostering entrepreneurial growth, community development challenges and opportunities, target markets, quality of place, business retention and expansion, business attraction, site selection, redevelopment, community surveying, presentation and facilitation tools, global trends and financial tools for community and economic development. She benefits the most from sharing ideas with other ED Directors and what works within their communities.
- Downtown Development - The new Gillen’s Co-op & Mercantile opened on the Square next to Eve’s Café. The Hart House Historic Stagecoach Stand & Hotel was also recently purchased by a couple from Austin, but no plans of the building has been discussed yet. City Staff is continuing discussions regarding downtown concepts with a few of the downtown building owners and developers.
- Key Avenue Development - Mojo Coffee should be finalizing their purchase of the property at 1008 S Key Ave. They will not be demolishing any of the current structures. They plan to enclose the awning

that once covered the fuel pumps in order to have adequate seating for customers. They are anxious to begin renovating the building and she'll keep everyone updated as they move forward. In addition, Burger King had their variance approved in February, submitted site plans and pulled a demo permit for 404 N Key Ave. Their building plans are currently being reviewed. Also, not located on Key Avenue, Silver Creek Assisted Living continues their plans for expansion. City Staff had a full site/building plan review and civil utility meeting with their general contractor on March 14 regarding fire lanes and utilities. They are getting ready to mobilize for construction. Both Silver Creek and Burger King will have a pre-construction meeting with City Staff before they go vertical.

- Residential Development - MD Homes has submitted their preliminary plat and civil plans for Hillside Acres located on FM 580 West. They will be building 28 total homes in three (3) phases. There are also two other local developers building 22 homes on Brown Street. Their preliminary plat is pending, but should receive by March 22 in order to be presented to Planning & Zoning at their April meeting. Stone Valley, being developed by Deorald Finney, has requested temporary electric and will begin paving streets in order to break ground on the first four (4) homes. Also, the DLF addition (Finney) on CR 3420 will have five (5) homes. Electric easements have been completed and two (2) of the lots will begin construction soon.
- Oil States - Oil States held their grand opening ceremony on March 6. They seemed very pleased with their new facility and the relationship with the City throughout this project. Their top executives were in attendance and had positive feedback regarding the project and Lampasas. The City looks forward to their continued growth. She was unable to attend due to attending CDI training in The Woodlands, but was she was able to take them a congratulatory gift once she returned. Their General Manager was out of town when she went by, but she plans to go visit once he returns so she may tour the new facility. She welcomed the Board to attend with her when she goes.
- Job Fair is scheduled for June 7, 2019.
- She was part of the review committee of the Comprehensive Plan request for qualifications that were submitted.
- Keystone Hotel – Mr. Fish reports that he should be partially moved in by June 2019.

X. Items that the Board Members may request to be placed on the next agenda

- Update from Sub Committee

XI. Adjourn

Board member Hudson moved to adjourn the meeting at 8:01 p.m. The motion was seconded by Board member Schaub and with a unanimous vote, the motion carried. (Vineyard & Smart absent)

PASSED AND APPROVED this _____ day of _____, 2019.

Charlie Pratus, III, President

ATTEST:

Christina Marez, City Secretary