

MONTEVALLO DEVELOPMENT COOPERATIVE DISTRICT
BOARD OF DIRECTORS MEETING
Parnell Memorial Library
Minutes

Regular Called Meeting
July 28, 2014
4:00 p.m.

Members Present: Dee Woodham, Reed Prince
Members Absent: Deanna Smith
Staff Present: Chris Hershey, Trey Gauntt, Regina Ashmore, Susan Hayes

The meeting was called to order by Chairman Dee Woodham at approximately 4:01 p.m.

Mr. Prince stated the Home Depot credit cards are expected to arrive in the mail any day.

Chairman Woodham provided an update on the Coach Company Building. Retail Specialists does not see any interest from large chain type restaurants. The demographic numbers for the city of Montevallo are not favorable for that type of facility. The agent has interviews scheduled with Shopping Center Group and South Pace. The agent stated that within a month or two, the Board would be able to determine what the demographics would support. Mr. Hershey suggested the Board request a real estate sign be placed closer to the street. He observed the current sign was not clearly visible to passers-by.

Mr. Gauntt notified the Board the Stephens Park bid came in \$25,000 to \$30,000 over budget. The County, City and Kelly Landscape Architects are working to identify the items of highest priority and determine the one the allowable budget will complete. The City is scheduled to install conduit and Shelby County personnel is scheduled to perform the electrical installation. All items possible will be self-performed by the City in order to maximize the amount of improvements possible within the allowable remaining \$96,000 budgeted.

Mr. Gauntt stated Barge Waggoner had completed 80 to 85 percent of the plan set for the Main Street project. Chairman Woodham asked Mr. Gauntt if the Water Board had notified him of a desire for two water lines crossing Main Street. Mr. Gauntt stated the W&S engineer was preparing a letter to document the need for two crossings for submission to ALDOT. Mr. Gauntt informed the Board the Water Board would have to budget for side street improvements in future as betterment could not be covered under an ALDOT grant project. The two lines include one high pressure line and one low pressure line. Chairman Woodham stated the Water Board is scheduled to run lines on Valley Street.

Mr. Gauntt expects the bid to go out in late spring or early summer. This schedule will be highly dependent on the ALDOT plans review and approval process and the acquisition of several construction easements. As of now there are no permanent right of way acquisitions planned. The plans are progressing as expected through ALDOT.

Mr. Gauntt stated the grading on the Track should finish by the end of the week. Crews are currently constructing the pad for the bleachers on the home side.

The rough grading is complete on the softball field. The sewer work is expected to commence next week with the lighting the following week. The poles and fixtures have been placed at the high school baseball and softball fields. However, the wiring was delayed to prevent sewer lines from crossing any electrical wiring or conduit. The blocks are expected to be delivered this week with the mason to begin construction.

The paving crew is expected to move in this week starting on Reonda then moving over to Overland Road. Work will begin making curbs ADA compliant prior to paving.

Currently 30 percent of the street signs are in place as part of the citywide sign replacement project.

Ms. Hayes distributed the budget documents. The MDCD Project expenditures total \$979,038.12 for fiscal year 2014 period October 1, 2013 through June 30, 2014. Administrative fees total \$21,389.02 for this same period. The total bond disbursements as of June 30, 2014 is \$1,753,944.97 leaving a balance of \$3,250,326.03 remaining. Administrative fees include insurance, repair and maintenance, utilities, and administration. Ms. Hayes requested the Board decide how to process administrative costs going forward.

Mr. Gauntt and Mr. Prince discussed the options available to reduce the power consumption thereby reducing the utility bills. Safety issues will be considered on pathway lighting in conjunction to when businesses closes. LED fixtures, dimmers, timers, and sensors were discusses as options.

Ms. Hayes informed the Board that a balance of \$192,000 (6 monthly bond payments) must be maintained at all times to comply with Trustmark bond reserve requirements.

Chairman Woodham asked Mr. Hershey to draft a Memorandum of Agreement for disbursement of administrative fees equally among the three shareholders. The MOA should define administrative fees to include audit fees, insurance, repair and maintenance, utilities, accounting, and professional fees. Mr. Prince suggested the new MOA should refer to the original MOA as an addendum.

Chairman Woodham reminded the Board a discussion had taken place as reflected in the minutes on June 24, 2013 without a formal action being taken in reference to maintenance of the Promenade. She recommended the Board continue to pay 100% of the utilities and plant maintenance to the end of the fiscal year and 50% the following fiscal year and replacement of

plants in fall 2014. Mr. Prince asked the Board to delay any action until a discussion with the city about replacement planting. Chairman Woodham recommended a written plan from the city before action is taken.

Chairman Woodham stated the Board had earned \$12,000 in interest. She recommended the Board allow the city to be credited with the interest earned as the city is paying the interest on the loan. Mr. Prince was in agreement. Ms. Hayes requested the Board delay any action until Ms. Smith was in attendance. Chairman Woodham agreed to delay action.

The insurance coverage quote prepared by Rux Carter Insurance was discussed by the Board. After a review of the request by McDonald's Corporation it was determined the coverage was required to be \$2 million. Ms. Hayes stated the University of Montevallo recently added MDCD as additional insured. Mr. Prince suggested the Board discuss with Ms. Smith and Rux Carter the insurance requirements for McDonald's, Coach Company, etc. to ascertain the required coverage needs.

Chairman Woodham stated the budget reflected the city portion of the Turner/ACC project to be \$65,000. She recommended the Board decrease line #20 by \$25,000 to increase line #4. Mr. Prince made a motion to decrease line #20 by \$25,085.95 to increase line #4. Chairman Woodham seconded the motion. The motion was approved unanimously with a two to zero vote.

Chairman Woodham suggested the Board consider other contingencies for the Turner/Coach Company budget. The budget as currently presented has all contingencies and improvements falling solely to the city. Ms. Woodham requested the board consider a more shared allocation.

The Board recently was asked for an additional contribution of \$50,000 for the track and \$50,000 for the field house, due to project overages. The Board discussed various contingencies and priorities and delayed any action.

Mr. Hershey informed the Board the Hotel RFP would close on August 7, 2014. Mr. Scroggins has held three meetings with 3 different investors and anticipates a submittal by deadline.

Mr. Prince made a motion to approve the minutes for the June 23, 2014 meeting. Chairman Woodham seconded the motion. The motion was approved by all with a two to zero vote.

There being no further business to discuss, Chairman Woodham made a motion to adjourn the meeting. Mr. Prince seconded the motion. The motion was approved by all with a two to zero vote. The meeting was adjourned by Chairman Woodham at 5:17 p.m.