

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

**Regular Called Meeting
November 24, 2014
4:00 p.m.**

Members Present: Dee Woodham, Reed Prince
Members Absent: Deanna Smith
Staff Present: Chris Hershey, Regina Ashmore, Chad Scroggins, Susan Hayes, Trey Gauntt
Others Present: Alex Dudchock, Shelby County Manager; Janice Seaman, citizen; Martin Reed, Birmingham News; Hollie Cost, Mayor; Steve Gilbert, Chamber of Commerce

The meeting was called to order at 4:00 pm by Chairman Woodham.

Mr. Prince made a motion to approve the minutes of the October 27, 2014 meeting. The motion was seconded by Chairman Woodham. The motion approved by all with a two to zero vote.

Chairman Woodham pointed out that the low bid for City Hall construction was \$1.4 million, but the MDCD's loan is only \$1.1 million. She suggested transferring \$50k (leaving \$0) from line 17 property demolition, transferring \$70k (leaving \$12k) from line 10 way-finding and transferring \$50k (leaving \$72k) from line 15 contingency unspecified to line 7 City Hall. This increases City Hall from \$1.1 million to \$1.270 million. Mayor Cost explained that the City Hall shortfall will come from freed-up sanitation funds. If projects come in within budgets, the city expects to finish way-finding and property demolition with more freed-up sanitation funds. Mr. Prince made a motion to approve the line item transfer. The motion was seconded by Chairman Woodham. The motion was approved by all with a two to zero vote.

Mr. Dudchock inquired about the Middle Street grant project. Mayor Cost stated the City had been awarded a TAP grant for improvements on Middle Street from Main Street to Valley Street. Mr. Gauntt requested additional information regarding the project scope and grant requirements. Mr. Gauntt stated that based on prior discussions with the City the match could possibly come from the funds set up in the Phase II paving budget for paving on Middle Street if this project could cover that paving work. Mr. Dudchock informed the Board that ALDOT typically requires the funds up front. Mr. Gauntt agreed the funds are usually due at the time of bid letting but it depended on the details of the grant funding agreement. Mr. Gauntt requested a copy of the original scope of work for the grant project. Mr. Dudchock asked who would handle the funds. Chairman Woodham pointed out that if the match was coming from the Middle Street phase II re-paving fund, it should be transferred to the City of Montevallo, who will be processing the grant funds.

Mr. Gauntt stated that Phase I paving is complete and the project was slightly under budget and the balance remaining for paving the Phase II streets would be underfunded by approximately 40k if Highland and Moore's Springs were added as requested by the City.

Chairman Woodham inquired about the status of the McDonald's parking agreement. Mr. Hershey stated the change was made to reflect eight hours instead of the two originally submitted. Mr. Gauntt stated that Angie, with McDonald's Corporation, would progress the agreement on her end once executed by the MDCD. Mr. Dudchock suggested that the lot not be signed as additional parking; temporary signage for events would be the best way to proceed. Chairman Woodham executed the agreement and provided them to Mr. Gauntt for further processing.

Mr. Dudchock would like to have discussions with the owner of the vacant lot about allowing additional overflow parking. Ms. Seaman stated the owner would not allow the city to utilize her property in that manner. The owner has a potential purchase option pending. Mayor Cost asked about the lot behind Jack's, owned by Ms. Jones' grandmother. Ms. Seaman stated she felt Mr. Bailey would allow temporary use. Mr. Dudchock stated the city and university police would have to work the lot to keep the parking at a temporary level. Mayor Cost will compile a list of all overflow parking lots and options for large events for the Board.

Mr. Scroggins informed the Board that six banks provided feedback on the RFP which were minor. Mr. Dudchock stated the pledge of taxes was not a factor in financing most requested 20 percent equity. Mr. Scroggins stated the banks considered this a third tier market. First tier would be downtown, second tier would be interstate accessible, and third tier is considered remote off-interstate. The responses were to treat like a strip mall investment with 45 percent owner investment. The Board does not have any equity factor since it is a recent incorporation. Mr. Scroggins informed the Board that the term is shorter at 15 years after a two year construction period. The larger financiers shortened the term to 5 or 7 years maximum. Chairman Woodham hoped to release the RFP in January. Mr. Dudchock stated he had a committee working on design plans which include programming of interior space. It became apparent the roof aspect would not be feasible. The County is looking to have the feasibility study updated to gather the most recent occupancy numbers. Mr. Scroggins stated the county had hired Key Advisors for a different project and was working on having them look at the Smith Travel Report and provide a summary report on occupancy loads. Mr. Gilbert asked at what point does the information become final. Mr. Dudchock stated the numbers will always be fluid for the study, but data is gathered daily and the Board will use the low end of numbers to base the decision of whether to construct or vacate the project. Mr. Dudchock informed the Board that funds would have to be spent for design whether the project is constructed or abandoned. Mr. Scroggins will give Key Advisors the scope of expected updates to gain a price for services. Mr. Scroggins said the numbers should be smaller than the full occupancy rate and average daily rate in the estimate for finished hotel will be less as a result. Chairman Woodham asked if the building design RFP would be ready for release by the regularly scheduled December meeting. Mr. Prince stated that yes it should be released late December or early January. Mr. Scroggins provided the Board with a draft financial RFP with red-lined changes.

The financial RFP should be released now so that when the design, bid results, and updated RFP come in together the Board will have all the information to make an informed decision. Mr. Dudchuck stated the county would cover the cost of the updated RFP by Key Advisors.

Chairman Woodham stated the Board had two people interested in the Coach Company parking lot to set up mobile kitchens and one from previous parties interested in a restaurant. The Board is working on the restaurant owner to reach an agreement before moving on the mobile kitchens. The Board has no interest in renewing the real estate broker contract at this time. Ms. Seaman asked if the agents selected were local. Chairman Woodham stated that one worked in the Shelby County real estate market that the Board did not receive any interest from local realtors when initial contact was made.

Mr. Gauntt informed the Board that Stephens Park concrete would be completed after the holidays with final completion within a month. There were delays due to relocation of water meters as required by the water board along with weather delays. The water board was helpful in assisting with the relocation of the water meters to their new location on County Road 10 right of way.

Barge Waggoner is 90 percent complete with the plans for the Main Street project. They are currently working on the water line relocation resubmittal which includes the relocation within the scope of the project. Chairman Woodham asked about responses from the land owners that recently received notice regarding their driveway access modifications along Main Street. Mr. Gauntt informed her there were six responses; four positive and two negative. The two negatives were mostly about inconvenience to business owners and customers. Mr. Gauntt stated that Regions Bank did not want the access point on Main Street closed and currently are in discussions to modify their parking lot access from North Boundary Street to accommodate traffic flow required for bank operations. The other negative came from the drug store which felt the overall activity would have a negative impact on their business activity. Mayor Cost stated the city had a program called "Meet me on Main" starting to address some of the issues with the general public. Mr. Gauntt commended the mayor on her efforts to date in communicating with owners and explaining the process. Mr. Gilbert asked what the proposed timeline would be for the project. Mr. Gauntt stated the project plan notes and specifications will ensure ingress and egress to business at all times during the project. Mr. Dudchuck suggested the mayor include the project manager in any public meetings. Mayor Cost stated the city also had a cell phone application that would push updates out to the public in the works. Mr. Gauntt reminded the Board this project did not require ALDOT involvement meeting, but the city requested it. The bids should be let in the summer months and work should start a couple months afterwards. There will be a need for temporary construction easement agreements from certain property owners. Mr. Gauntt asked if Mayor Cost would assist in securing the agreements, once identified.

The track asphalt is down and the twenty one day curing process has passed. The rubberized surface will be applied once the weather clears next week with completion expected by year end. The University has a March event planned and are hopeful the weather cooperates for expected completion.

The softball fields are complete and the lighting levels will be measured tonight after this meeting. The netting and backstop padding should be installed soon and the press box has a few punch list items to be addressed.

The high school lighting project did not have any overruns but electrical work to the dugouts and batting cages are expected to cost approximately \$12k. This additional cost will cover the materials as the County will perform the installation. The pathway lighting at Orr Park is currently being evaluated and a cost estimate and light fixture will be provided very soon.

The paving and striping for Phase 1 Paving project is 100 percent complete. The project came in very slightly under budget.

The utilities have been located and staked out for several areas of the street sign project. PARA will resume work the next rain out day on other grading projects.

Mr. Gauntt asked the Board about the status of the way finding project. Several of the proposed signs are in ALDOT rights of way and it does not look favorable to gain approval from ALDOT to install these signs on right of way as proposed. Chairman Woodham will discuss with Mayor Cost.

Ms. Hayes stated the audit is complete. She is reviewing the draft. The process was completed faster than last year. Chairman Woodham asked how the contributions from SCEIDA and the city industrial development board would appear in the budget. Ms. Hayes stated it would appear as additional funding.

Ms. Seaman stated that Mr. Nathews had withdrawn his proposal and the two mobile kitchens were very much interested. Chairman Woodham stated the Board would not make a decision until the previously interested party had an opportunity to reach an agreement. If so, perhaps the two mobile kitchens would be interested in other locations in the city.

There being no other business, Mr. Prince made a motion to adjourn. The motion was seconded by Chairman Woodham. The motion was approved by all with a two to zero vote.

The meeting adjourned at 5:24 pm.