

**MINUTES OF THE
ECONOMIC DEVELOPMENT COMMITTEE
MEETING**

7:30 a.m.

April 29th, 2022

Mayor Genshaw brought the meeting to order with the following committee members present: Councilman Dan Henderson, Mrs. Joan Neal, Charles Anderson, City Manager. Trisha Newcomer, Director of Economic Development and Community Relations, and Director of Public Works, Berley Mears was also present.

Mrs. Newcomer presented Agenda Item #1: Review and consider a request from Mr. Sapan Shah, owner of Sunrise Motel, located at 22512 Sussex Highway, SCTMP #331-3.00-180.00; to participate in a cost share for the installation of 1100' of water main.

Mrs. Newcomer stated the property was annexed into the city in October 2021. The project consists of an additional two-story building be located to the west of the property to include twenty-two additional guest rooms. The current twenty-two room motel on site was granted a fee waiver in July of 2020 in the amount of \$41,643.48. The cost share requested is for a water main that will extend the City's water main infrastructure from the EMS building ,1100' south towards the city along south bound US 13 to the motel. The referenced cost is installation only and does not include designing, permitting and other associated costs that have been paid by the Developer.

The owner received pricing from multiple vendors including Melvin Joseph Construction, Hopkins Construction and JJID Inc. The property owner has contracted with Hopkins Construction to do the work in the amount of \$162,655.00. With this proposal, it would leave the City with an estimated cost of \$97,593.00 and \$65,062.00 to the Developer.

Mayor Genshaw solicited any questions from the Committee.

Councilman Henderson asked where the current water line originates on US 13? Was it part of a loop or a dead end?

Director of Public Works, Berley Mears, stated the water line was extended last year during the water main project south of the EMS building and just supplies that area currently.

City Manager Anderson also noted a 16" water line has been run north and the plan is to run the 10" water line south on US 13 back to the water tower located near Lowes so both sides of the highway are supplied with water.

City Manager Charles Anderson asked Mrs. Newcomer what the initial cost share contribution with Lakeshore Motors developer was.

Director Newcomer stated it was a 50/50% cost share between the city and the developer.

Councilman Henderson asked what the distance between Lakeshore Motors and Sunrise Motel was.

City Manager Anderson stated he was unsure the distance.

Director Newcomer noted originally the intent was for Sunrise motel to attach to the water main that would be installed for Lakeshore Motors, however, that project has not begun.

Councilman Henderson asked what happens if the water main gets installed and hypothetically George Sherman, the neighboring property, wants to annex and develop the vacant land they currently own, what costs would they be responsible for to also attached to the water main.

City Manager Anderson stated they would have to still apply and pay for water impact fees, tap fees and any additional required fees to do so, which would ultimately recoup some funding the City had in installing the water line.

Councilman Henderson stated that the additional 22 rooms to the current Motel will need to be sprinkled. What size does a fire sprinkler system require.

Director Mears stated a minimum of 6".

City Manager Anderson continued the discussion on the sprinkler system and stated that because of the length of the water main being installed, per code, the State Fire Marshall requires a 10" water main for any dead-end water mains over 600'.

Mayor Genshaw questioned what would happen if the water main got installed but the project doesn't move forward.

Mr. Anderson stated, like any other water main infrastructure, the infrastructure will stay even past the existence of businesses, etc. and will be the city's long term.

Mayor Genshaw then asked Mr. Shah where he was in the process of moving forward with the proposed plans to expand the Motel.

Mr. Shah stated that they are approaching the permitting phase. GMB had made a couple of minor comments to the submitted plans, but changes were made and applying for permitting should happen soon.

Director Newcomer mentioned the City's project funding will come from the City's water reserves account.

Mrs. Neal asked if the water main expansion will benefit any other businesses and/or property owners other than Sherman Oil.

City Manager Anderson stated it will not benefit anyone else currently, however, once it's installed its easier to expand from that location in the future for other business, properties, etc. that want to become annexed and receive service.

Mrs. Neal asked if Sherman Oil would have to be annexed in to have the water services.

City Manager Anderson stated yes.

City Manager Anderson also stated that because the city allowed for a 50/50% cost share with Lakeshore Motors, the committee members may want to consider a 50/50 cost share with Sunrise Motel.

Director Newcomer noted that a 50/50% split would cost the city \$81,327.00 versus \$97,593.00.

Director Newcomer also suggested that a timeline be put in place before a motion is made for the project to be installed. With no further questions or comments, Mayor Genshaw called for a motion.

Councilman Henderson then made a motion to recommend a 50% cost share with Sunrise Motel for the water main expansion of 1100', in the amount of \$81,027.00 to be paid by the city with a two-year time frame of completion for the project once accepted by Council or the incentive would sunset. Mrs. Neal seconded the motion; motion so passed with all present voting in favor.

Mayor Genshaw stated the request will go before Council at the May 10th City Council meeting.

With no other questions or comments, Mayor Genshaw solicited a motion to adjourn. Councilman Henderson made a motion to adjourn, and Mrs. Neal seconded the motion. The meeting ended at 7:48 a.m.

Shannon Passwaters, Code Officer