

**REGULAR CALLED MEETING OF THE
OVERTON MUNICIPAL DEVELOPMENT DISTRICT
March 9, 2017**

Minutes of the Regular Called Meeting of the Overton Municipal Development District Board of Overton, Texas held on **March 9, 2017** at 5:30 P.M. at City Hall, 1200 South Commerce Street, Overton, Texas.

OMDD

PRESENT:

Bob Heath, Chairman
Mike Piercy, Vice Chair
Lawrence Davis
Joel Kerby
David Stone

ABSENT:

Also in attendance was Charles Cunningham, City Manager, Wendy Bates, Accountant and Rachél Gafford, City Secretary representing staff; Mayor C. R. Evans representing the public.

I. CALL TO ORDER – Chairman Heath called the meeting to order at 5:30 P.M.

1. Mayor Evans gave the invocation.
2. Chairman Heath led the pledge of allegiance.

II. APPROVAL OF MINUTES

1. Board to review and make possible corrections to minutes of the Regular Called Meeting of the OMMD on **January 12, 2017.**

Board Member Davis made a motion to approve the minutes from January 12, 2017.

Vice-Chair Piercy seconded the motion.

Chairman Heath called for a vote.

Motion carried 5 – 0 – 0.

III. FINANCIAL REPORT

1. Presentation of Monthly Financial Report for Periods Ending on the 31st of January and 28th of February, 2017.

City Manager Cunningham covered the financial reports for January and February 2017. Cunningham recommended that the second OMDD bank account, opened in 2016 to separate the OMDD accounts from City of Overton accounts, would need to be closed as the City has been unable to get the State Comptroller to recognize the new account and change where sales tax funds are deposited each month.

No action required on this item.

IV. OLD BUSINESS (Consider and/or action)

1. Board to consider and take action on approving Pay Request #4 (final) from CE Marler for work done on the Community Building Parking Lot and authorize the Chairman to sign the Certificate of Construction Completion on that project.

City Manager Cunningham made a brief report on the project and indicated that the project was completed to the satisfaction of the Supervising Engineer and Project Manager representing the City. It was recommended that the final pay request be approved and the certificate of completion be signed by the Board Chairman.

Board Member Davis made a motion to approve Pay Request #4 from CE Marler for the final payment on the Community Building Parking Lot project.

Vice-Chair Piercy seconded the motion.

Chairman Heath called for a vote.

Motion carried 5 – 0 – 0.

V. NEW BUSINESS (Consider and/or action)

1. Board to hear and consider a presentation by the City Manager on Long Term Financial Planning for the City. (No action is required on this item.)

City Manager Cunningham gave a presentation to the Board regarding the current financial condition of the City's debt and finances. The presentation included a five-year plan within which the City could be in a position to issue \$4,000,000 in a combination Refunding and General Obligations Bonds that would allow it to pay off existing debt and have \$3,000,000 available for new projects. The debt service on such a bond issue would be projected to retain the current tax Rate on the debt portion of the City's current ad valorem tax plus free up over \$100,000 a year in Water/Sewer Revenue for Capital Improvements without having to increase water and sewer rates. Cunningham also proposed that the Board consider forgiving the outstanding Promissory Notes currently on the books that have an outstanding balance in the amount of \$147,000.

2. Board to discuss, consider and take action on the terms and conditions employed by the Board to approve the funding of expenses or projects using OMDD funds.

City Manager Cunningham briefly reviewed the history of the Board's involvement in funding certain emergency water and sewer projects in the past and suggested that the mechanism of loaning the funds for projects, still placed a burden on the fund for annual debt payments and that such funds could be used to satisfy unmet needs of the water and sewer system.

Board Member Davis made a motion to the OMDD Board forgive the outstanding balance on the loans given to the City of Overton in the amount of \$147,500 effective immediately.

Board Member Stone seconded the motion.

Chairman Heath called for discussion.

Vice-Chair Piercy stated his disapproval of forgiveness of the loans based on the original intent and terms and conditions of making funds available to the City by the Board as loans and not grants.

Chairman Heath called for a vote.

Motion carried 3 – 2; Vice-Chair Piercy opposed, Chairman Heath abstained.

3. Board to discuss, consider and take action on a proposal by Schaumburg & Polk Inc. to provide technical assistance in resolving excessive pressure in the water distribution and storage system of the City of Overton.

City Manager Cunningham stated that one of the more significant issues with respect to the current condition and performance of the City's water distribution system was that excessive pressure places too much stress on the joints and old pipes. This results in more and more severe leaks that could be avoided if pressure valves were placed at strategic locations in the system. The purpose of the engineering study proposed here was to begin an analysis of the existing pressure plane with recommendations for placement of strategic pressure relief valves that would significantly reduce pressure in the system but still maintain sufficient pressure to meet TCEQ's requirements.

Board Member Davis made a motion for the OMDD Board to fund the water pressure survey recommended by Schaumburg & Polk Inc. in the amount of \$24,000.

Board Member Kerby seconded the motion.

Chairman Heath called for a vote.

Motion carried 5 – 0 – 0.

4. Board to discuss and consider certain unfunded projects that are planned for the future.

Vice-Chair Piercy requested that the Board consider funding a replacement air conditioning unit for the Boy Scout Hut located in the City Park.

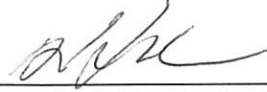
City Secretary Gafford stated that the Boy Scout Leader had requested the City purchase replacement swing seats that the Boy Scouts could install in the swing sets in the City park.

Chairman Heath directed staff to research the cost of both items and place these items on the next OMDD Agenda.

VI. ADJOURNMENT

Chairman Heath adjourned the meeting at 6:55 P. M.

Minutes submitted and approved by the Overton Municipal Development District on this 20th
day of April, 2017.



Bob Heath, Chairman

Attested by:



Rachel Gafford, City Secretary

