The City of Liberty
Liberty Community Development Corporation

Meeting

~ Agenda ~

1829 Sam Houston Street
Liberty, TX 77575
www.cityofliberty.org

Dianne Tidwell
City Secretary
(936) 336-3684

Tuesday, February 4, 2014 | **6:00 PM** | **City Council Chambers**

The Liberty Community Development Corporation of Liberty, Texas reserves the right to meet in closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551 of the Texas Government Code.

I. CALL TO ORDER

Attendee Name	Present	Absent	Late	Arrival
President Dennis Beasley	☐	☐	☐	
Vice-President Mike McCarty	☐	☐	☐	
Board Member Louie Potetz	☐	☐	☐	
Board Member Barbara Norwood	☐	☐	☐	
Board Member Leslie Herndon	☐	☐	☐	
Board Member David Arnold	☐	☐	☐	
Board Member Mark Campbell	☐	☐	☐	
General Manager Gary Broz	☐	☐	☐	

II. ACKNOWLEDGEMENT OF GUESTS AND VISITORS / CITIZENS FORUM

III. PRESENTATIONS / REPORTS

1. LCDC Information Item (ID # 2931)

Project Updates - City/Gen. Manager - G. Broz

2. LCDC Information Item (ID # 2932)

Financial Report - City/Gen. Manager, G. Broz

IV. CONSENT AGENDA

All consent items listed are considered to be routine by the LCDC and will be enacted by one motion. There will be no separate discussion of these items unless a Board Member so requests, and if such a request is made, the item will be removed from the Consent Agenda and considered in a normal sequence on the agenda.

A. Minutes Approval

1. Tuesday, January 07, 2014

2. Tuesday, January 14, 2014

V. REGULAR AGENDA

A. Regular Session

1. LCDC Public Hearing (ID # 2933)

Public Hearing to discuss providing funds to the City of Liberty to pay a portion of the costs to construct a new street (approximately 4,700 linear feet) in an undeveloped area on the east side of the City off of the Highway 146 Bypass.

VI. ADJOURNMENT

1. Motion To: Adjourn

I certify that the attached Notice of Meeting was posted on the bulletin board and in the Message Centers located on the east and west sides of the City Hall Administration Building, located at 1829 Sam Houston on the 31st day of January, 2013 at 4:30 p.m. This notice will remain so posted continuously for at least 72 hours preceding the scheduled time of said meeting in accordance with Chapter 551 of the Texas Government Code.

_____
Dianne Tidwell, Corp. Secretary

NOTICE

In compliance with the Americans with Disabilities Act, the City of Liberty will provide reasonable accommodation for persons attending and/or participating in this Corporation Meeting. To better serve you, requests must be made at least 24 hours prior to the meeting. Contact the City at (936) 336-3684 or by Fax at (936) 336-9846. The building is wheelchair accessible, with parking available, on the west side of the building.

I certify that the attached Notice and Agenda of items to be considered by the LCDC was removed by me from the bulletin board at the City Hall on the _____ day of _____, 2014.

The City of Liberty
Liberty Community Development Corporation
1829 Sam Houston Street
Liberty, TX 77575

Meeting: 02/04/14 06:00 PM

Department: Administration
Category: LCDC Reports

LCDC INFORMATION ITEM (ID # 2931)

DOC ID: 2931

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The City of Liberty
Liberty Community Development Corporation
1829 Sam Houston Street
Liberty, TX 77575

Meeting: 02/04/14 06:00 PM

Department: Administration
Category: LCDC Reports

LCDC INFORMATION ITEM (ID # 2932)

DOC ID: 2932

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The City of Liberty

Liberty Community Development Corporation

Meeting

~ Minutes ~

1829 Sam Houston Street
Liberty, TX 77575
www.cityofliberty.org

Dianne Tidwell
City Secretary
(936) 336-3684

Tuesday, January 7, 2014 | **6:00 PM** | **City Council Chambers**

The Liberty Community Development Corporation of Liberty, Texas reserves the right to meet in closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551 of the Texas Government Code.

I. CALL TO ORDER

Attendee Name	Title	Status	Arrived
Dennis Beasley	President	Present	
Mike McCarty	Vice-President	Absent	
Louie Potetz	Board Member	Present	6:13 PM
Barbara Norwood	Board Member	Present	
Leslie Herndon	Board Member	Present	
David Arnold	Board Member	Present	
Mark Campbell	Board Member	Present	
Gary Broz	General Manager	Present	
Dianne Tidwell	Corp. Secretary	Present	
Randy Gunter	City Attorney	Present	

II. ACKNOWLEDGEMENT OF GUESTS AND VISITORS / CITIZENS FORUM

President Beasley welcomed guests and visitors, opening the floor for public comment to those individuals wishing to address the Board. There were no comments.

III. PRESENTATIONS / REPORTS

1. LCDC Information Item (ID # 2898)

Financial Report

COMMENTS - Current Meeting:

General Manager Gary Broz reported on the balance sheet as of November 30, 2013. Mr. Broz reviewed the current fund balance of $3,385,707 along with current revenues and expenditures. Mr. Broz completed by stating that the Corporation's largest expense, at this time, is payment to the engineers for the Street Extension Project and legal expense for the eminent domain process, which is also related to the Street Extension Project.

2. LCDC Information Item (ID # 2899)

Project Updates

Minutes Acceptance: Minutes of Jan 7, 2014 6:00 PM (Minutes Approval)

COMMENTS - Current Meeting:

Mr. Broz reviewed a project report to include sending prospective tenants to various local shopping centers. Mr. Broz has also requested to meet with a developer regarding possible development of property across from Wal-Mart, on the Bypass. Mr. Broz stated that he is staying in constant communication and forwarding information to various businesses that could possibly locate in the City of Liberty. Mr. Broz concluded by stating that the City's property on Hwy. 90, formerly known as Key Energy, has been leased.

IV. CONSENT AGENDA

All consent items listed are considered to be routine by the LCDC and will be enacted by one motion. There will be no separate discussion of these items unless a Board Member so requests, and if such a request is made, the item will be removed from the Consent Agenda and considered in a normal sequence on the agenda.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Dennis Beasley, President
SECONDER:	Leslie Herndon, Board Member
AYES:	Beasley, Norwood, Herndon, Arnold, Campbell
ABSENT:	Mike McCarty, Louie Potetz

A. Minutes Approval

1. Thursday, December 05, 2013

V. REGULAR AGENDA

A. Regular Session

1. LCDC Corporation Action 2014-1

Discuss placement of funds in an escrow account for proposed condemnation of property, through the eminent domain process, and take any action deemed necessary.

COMMENTS - Current Meeting:

Mr. Broz reported that the eminent domain hearing on the 2.25 acres of property for the street extension project will be held on Wednesday, January 8th at 1:00 p.m. City Attorney Randy Gunter remarked that the City will offer $112,000 for this property based on the recommendation of the City's contract expert. Mr. Gunter explained the hearing process, actors, and that adequate compensation is considered to be fair market value.

Mr. Gunter further explained that this agenda item, if approved, provides that funds be placed in the registry of the court, to be held in trust, to satisfy the result of the legal proceeding. These funds would then be immediately available to fulfill the City’s obligation, if necessary. Lengthy discussion was held regarding comparable property sold on the Bypass, previous appraisal of $98,000, that possible objections can be voiced by either party, appropriate amount of deposit to the registry, and other related issues.

Minutes Acceptance: Minutes of Jan 7, 2014 6:00 PM (Minutes Approval)

A motion was made to deposit up to $137,000 in the registry of the court for the eminent domain hearing.

RESULT:	**APPROVED [5 TO 1]**
MOVER:	Dennis Beasley, President
SECONDER:	David Arnold, Board Member
AYES:	Beasley, Norwood, Herndon, Arnold, Campbell
NAYS:	Louie Potetz
ABSENT:	Mike McCarty

2. LCDC Corporation Action (ID # 2901)

Consider approval of designating RBC Capital Markets as the Liberty Community Development Corporation's Financial Advisors, and take any action deemed necessary.

COMMENTS - Current Meeting:

Mr. Broz reported that RBC Capital Markets have been the City's Financial Advisors since 2010. Due to the proposed issuance of Sales Tax Revenue Bonds for the Street Extension Project, a separate agreement between the Corporation and RBC is required. Mr. Bob Henderson, RBC, explained that previously a subsidiary organization of a municipality would be covered under the City's agreement. However, new federal legislation has deemed that economic development organizations, having independent contracting authority, need to have a separate agreement with the financial advisors.

City Attorney Randy Gunter requested a change in the agreement language in regard to several issues; indemnification of another party and waiver of sovereign immunity. Mr. Gunter explained that in Texas these issues are categorically never approved. Mr. Gunter stated that he supports the designation of RBC as the Corporation's financial advisors and will work with Mr. Henderson to find agreeable language. President Beasley made a motion to approve this document contingent upon language approved by the City Attorney. Motion died for lack of a second.

Further discussion ensued regarding a revised document and a noon meeting, for review and possible action, to be held on Tuesday, January 14, 2014.

RESULT:	**NO ACTION TAKEN**

3. LCDC Corporation Action (ID # 2902)

Discussion with Financial Advisor Bob Henderson regarding proposed financing of the Street Extension Project, and take any action deemed necessary.

COMMENTS - Current Meeting:

Mr. Broz addressed the Board stating he was in receipt of the draft plans for the Street Extension Project. Mr. Broz continued by stating that the project cost estimate is up approximately 9%, from $4.4 million to $4.9 million. Mr. Bob Henderson, RBC Capital Markets, reviewed a plan of finance for this project to include the issuance of sales tax revenue bonds. Mr. Henderson spoke to estimated sources of funding to include a $3 million bond transaction and use of $2.3 million from the LCDC fund balance, for a total of $5.3 million.

Minutes Acceptance: Minutes of Jan 7, 2014 6:00 PM (Minutes Approval)

Lengthy discussion included that these bonds would be twenty-year bonds, with a 10-year par call, the Corporation receiving a bond rating of A- from Standard & Poor's, average annual debt service with interest calculated at 4.75%, estimated issuance costs, and other related information.

This item will come before the Board, in the near future, after receipt of solid project costs and a final plan of finance.

RESULT: **NO ACTION TAKEN**

VI. ADJOURNMENT

1. Motion To: Adjourn

COMMENTS - Current Meeting:

There being no further business before the Board, President Beasley adjourned the meeting at 6:54 p.m.

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Dennis Beasley, President

ATTEST:

_____

Dianne Tidwell, City Secretary

Minutes Acceptance: Minutes of Jan 7, 2014 6:00 PM (Minutes Approval)

The City of Liberty

Liberty Community Development Corporation

Meeting

~ Minutes ~

1829 Sam Houston Street
Liberty, TX 77575
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Dianne Tidwell
City Secretary
(936) 336-3684

Tuesday, January 14, 2014 **12:00 PM** **City Council Chambers**

The Liberty Community Development Corporation of Liberty, Texas reserves the right to meet in closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551 of the Texas Government Code.

I. CALL TO ORDER

Attendee Name	Title	Status	Arrived
Dennis Beasley	President	Present	
Mike McCarty	Vice-President	Present	
Louie Potetz	Board Member	Present	
Barbara Norwood	Board Member	Present	
Leslie Herndon	Board Member	Absent	
David Arnold	Board Member	Present	
Mark Campbell	Board Member	Present	12:08 PM
Gary Broz	General Manager	Present	
Dianne Tidwell	Corp. Secretary	Present	
Randy Gunter	City Attorney	Present	

II. ACKNOWLEDGEMENT OF GUESTS AND VISITORS / CITIZENS FORUM

This item was passed on, as there were no guests/visitors.

III. REGULAR AGENDA

A. Regular Session

1. LCDC Corporation Action 2014-2

Consider approval of an agreement designating RBC Capital Markets as the Liberty Community Development Corporation's Financial Advisors, and take any action deemed necessary.

COMMENTS - Current Meeting:

City Attorney Randy Gunter explained that at the previous meeting of the LCDC, there were two issues of concern with this document, in regard to protection of the Corporation. Mr. Gunter stated that the two issues were 1) a waiver of sovereign immunity and 2) an indemnification to RBC. Mr. Gunter further stated that both of these areas of concern had been removed from the agreement and that he had no objection to entering into the current agreement with RBC Capital Markets.

Further discussion ensued rincluding one other change to the agreement in Paragraph 5 regarding out-of-pocket expenses.

Minutes Acceptance: Minutes of Jan 14, 2014 12:00 PM (Minutes Approval)

Motion was made to approve the agreement to retain RBC Capital Markets as the Corporation's financial advisors.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Mike McCarty, Vice-President
SECONDER:	Dennis Beasley, President
AYES:	Beasley, McCarty, Potetz, Norwood, Arnold
ABSENT:	Leslie Herndon, Mark Campbell

2. LCDC Corporation Action 2014-3

Consider approval of the Special Commissioner's ruling in the eminent domain hearing, for property located on the Bypass for the Street Extension Project, and take any action deemed necessary.

COMMENTS - Current Meeting:

City Attorney Randy Gunter reported that the Special Commissioner's hearing was held on January 8, 2014, with an award for the property in the amount of $139,095. Mr. Gunter further reported that the previous appraisal received by the Corporation for this 2.25 acre tract was just under $13,000.

(Board Member Campbell arrived at 12:08 p.m.).

Mr. Gunter stated that it is the Board's call on whether or not to move forward. However, both the Board and the landowner have the right to object to the Commissioner's award. If this occurs, the case would start over as a civil trial in the County Court at Law. Mr. Gunter further stated that the civil trial would be an expensive procedure and that his analysis of the situation is that it would be more expensive to file an objection than deposit these funds in the registry of the Court, with anticipation of filing a Final Judgment on January 29th.e

After discussion of the landowners initial demand of $245,000, having no indication of the landowner's current intent, no appraisal presented at the hearing by the landowners, and other related topics, a motion was made to approve the Special Commissioner's ruling and authorize management to make a deposit into the registry of the court, in the amount of $139,095.

ATTACHMENTS:

- Agenda Item Form-Eminent Domain (DOCX)

Minutes Acceptance: Minutes of Jan 14, 2014 12:00 PM (Minutes Approval)

RESULT:	**APPROVED [5 TO 1]**
MOVER:	David Arnold, Board Member
SECONDER:	Barbara Norwood, Board Member
AYES:	Beasley, McCarty, Norwood, Arnold, Campbell
NAYS:	Louie Potetz
ABSENT:	Leslie Herndon

IV. ADJOURNMENT

1. Motion To: Adjourn

COMMENTS - Current Meeting:

There being no further business before the Corporation, President Beasley adjourned the meeting at 12:11 p.m.

Dennis Beasley, President

ATTEST:

Dianne Tidwell, City Secretary

Minutes Acceptance: Minutes of Jan 14, 2014 12:00 PM (Minutes Approval)

The City of Liberty
Liberty Community Development Corporation
1829 Sam Houston Street
Liberty, TX 77575

Meeting: 02/04/14 06:00 PM

Department: Administration
Category: Street Extension

LCDC PUBLIC HEARING (ID # 2933)

DOC ID: 2933

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