

**OVERTON MUNICIPAL DEVELOPMENT DISTRICT MEETING  
March 12, 2015**

MINUTES OF THE OVERTON MUNICIPAL DEVELOPMENT DISTRICT MEETING OF THE CITY OF OVERTON, TEXAS THAT WAS HELD ON MARCH 12, 2015 AT 6:00 P.M. IN THE CITY HALL BREAK ROOM LOCATED AT CITY HALL, 1200 SOUTH COMMERCE ST., OVERTON, TEXAS.

**PRESENT:**

Bob Heath  
Joel Kerby  
Mike Piercy  
David Stone  
Jimmy Jennings (arrived at 6:33 p.m.)

**ABSENT:**

Also in attendance were Charles Cunningham, City Manager, and Rachél Gafford, City Secretary representing staff, and C. R. Evans Jr., Mayor, representing City Council.

**ITEM I. The meeting was called to order by Chairman Heath at 6:00 P.M.**

1. The invocation and pledge were led by Mayor Evans

**ITEM II. CONSENT AGENDA**

Any or all items under Consent Agenda may be removed by the Chairman or any Overton Municipal Development District Board Member for further discussion.

1. Board to review and make possible corrections to minutes of the council meeting held on **February 26, 2015.**

**Motion made by Vice Chair / Secretary Piercy to approve the Consent Agenda. Director Stone seconded the motion. The motion carried 4-0, Director Jimmy Jennings absent.**

**ITEM III. OLD BUSINESS (Consider and/or action)**

1. HEAR AND CONSIDER ADOPTION OF BY-LAWS FOR THE OMDD WITH REVISIONS AS PREVIOUSLY DISCUSSED.

**Director Kerby made a motion to approve the By-Laws with correction to Article II as noted. Director Stone seconded the motion. The motion carried 4-0, Director Jimmy Jennings absent.**

2. HEAR AND CONSIDER FOR APPROVAL, A PROPOSED AGREEMENT BETWEEN THE OVERTON MUNICIPAL DEVELOPMENT DISTRICT AND THE CITY OF OVERTON FOR THE LATTER TO PROVIDE ADMINISTRATIVE AND FINANCIAL SUPPORT SERVICES TO THE OMDD.

**Director Kerby made a motion to approve the agreement with the City of Overton for Financial Services Support. Director Stone seconded the motion. The motion carried 4-0, Director Jimmy Jennings absent.**

3. HEAR AND CONSIDER ACTION ON PROPOSED CAPITAL IMPROVEMENT PROJECTS RECOMMENDED BY CITY STAFF FOR FUNDING BY OMDD.

Projects listed for consideration by the OMDD Board for approval are as follows:

1. **Clearing of Right of Way for removal of power line across North Lake.** In order to move an ONCOR power line that currently runs across the lake and has a pole on top of the dam, it is necessary to clear the right away along a road on the west side of the lake. A bid for \$13,620 was received from All American Electric Service to execute this project. (see attached bid) This project is part of an overall effort to clean the upstream and downstream slopes of the dam to comply with correcting the deficiencies noted in a TCEQ Inspection Report of the dam.

**Director Stone made a motion to fund Project # 1; Clearing Right of Way for removal of power line across North Lake. Director Kerby seconded the motion. Motion carried 5 - 0.**

2. **Clear the Upstream and Downstream slope of all brush and Trees of 4" in diameter or less.** This work is going to be accomplished by a local contractor using a brush clearing machine. The project cost will not exceed \$10,000 but will be based on the number of machine hours used @ \$100.00 per hour. It is requested that the Board approve an amount not to exceed \$10,000 for this purpose.

**Director Kerby made a motion to fund Project # 2; Clear the Upstream and Downstream slope of all brush and Trees of 4" in diameter or less. Director Stone seconded the motion. Motion carried 5 - 0.**

3. **Replace flooring of Community Center.** Bids are currently being solicited for this project. We should have a firm offer by the time of the meeting, at which time a description of some options and quotes will be presented.

**Director Stone made a motion to fund Project # 3; Replace flooring of Community Center. Director Jennings seconded the motion. Motion carried 5 - 0.**

4. **Removal of the Water Tower Downtown.** We have received a bid from Iseler Demolition Inc. to do this work for \$15,600.00. (see bid sheet) They are well experienced in this type of work and are recommended to be awarded the contract.

**Director Kerby made a motion to fund Project # 4; Removal of the Water Tower Downtown. Director Stone seconded the motion. Motion carried 5 - 0.**

**ITEM IV. NEW BUSINESS (Consider and/or action)**

1. **HEAR AND DISCUSS RESULTS OF STAFF FINDINGS REGARDING REVENUE AND EXPENDITURES SINCE 2005 AND PROJECTS FINANCED WITH OMDD FUNDS IN THE PAST.**

City Manager Cunningham presented staff research regarding the revenue and expenditures of the OMDD since 2005 and updated the Directors on the projects that have been financed by OMDD funds since 2005.

Vice Chair / Secretary Piercy made a motion to direct staff to draw up a promissory note and payment agreement for the \$50,000 loan the City was granted for the Water Tower in 2013 to be presented to the Board at the next regular meeting. Director Jennings seconded the motion. Motion carried 5 - 0

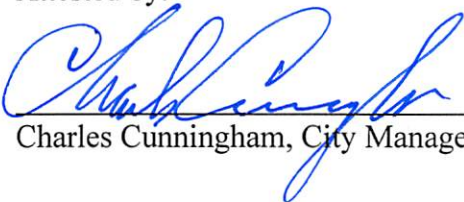
**ITEM V. ADJOURNMENT**

With no further business, Chairman Heath adjourned the meeting at 7:00 P. M.

Minutes submitted and approved this 16<sup>TH</sup> day of April , 2015.

  
\_\_\_\_\_  
Bob Heath, Chairman

Attested by:

  
\_\_\_\_\_  
Charles Cunningham, City Manager



ATTACHMENT A

AGREEMENT BETWEEN THE OVERTON MUNICIPAL DEVELOPMENT DISTRICT

AND

CITY OF OVERTON, TEXAS

STATE OF TEXAS            |

COUNTIES OF               |  
RUSK & SMITH             |

**THIS AGREEMENT** is made and entered into this 12<sup>th</sup> day of March, 2015, between the Overton Municipal Development District, (hereinafter "OMDD") and the City of Overton, Texas (hereinafter "the City").

**WITNESSETH:**

**WHEREAS**, the OMDD Board, recognizing the need for continued development of the economic base of the community is a municipal purpose, wishes to provide for a coordinated effort to encourage, promote, and foster the economic development of the community; and

**WHEREAS**, the Mayor and City Council of Overton are charged with oversight of the OMDD and required by law to ensure that OMDD sales tax revenues are appropriately and properly accounted for; and

**WHEREAS**, the OMDD as currently constituted does not employ full-time staff dedicated to promoting business development and economic growth within the City; manage some of the ministerial duties that are required from time to time; and provide financial services on a continuing basis as well as contracting legal and professional accounting services when needed; and

**WHEREAS**, the City has staff available to provide these functions on an as needed basis; and

**WHEREAS**, the parties agree that these goals can best be accomplished through contracting certain administrative functions under the terms and conditions outlined hereinafter:

**NOW, THEREFORE**, in consideration of the covenants and conditions stated herein, and in consideration of the mutual benefits which will accrue to each of the parties hereto, as well as to the public good of all the citizens of Overton, the parties have agreed and do hereby agree as follows:

**1. THE CITY WILL:**

**A.** Provide qualified and competent staff for administrative support activities for the OMDD Board providing all management and administrative services necessary for the Board to function.

**B.** Be responsible for the management of administrative support functions including but not limited to, finance, accounting, project management, preparation of required annual reports including an Annual Budget and Strategic Plan, contracting legal and annual audit services, all carried out under the terms of this agreement. The City Manager or the Manager's designate shall be responsible for the routine operations of economic development activities and the general supervision and management of the business affairs under this Agreement.

**C.** Operate the programs hereunder for the general public good for the promotion of business, industry and trade within the City.

**D.** To the extent allowed by law, indemnify the OMDD and hold it harmless from any and all claims, suits, demands and causes of action resulting from the acts or failure to act of any agent, servant or employee of the City, or any other person pursuant to this Agreement. Provide Board members with ERRORS and OMISSIONS LIABILITY COVERAGE with limits of liability in the amount of \$1,000,000 Each Occurrence and \$2,000,000 Annual Aggregate.

**E.** Provide a monthly report within 30 days of the ending of each month showing the activity of the OMDD hereunder and specifically listing the expenditure of the funds provided hereunder, showing the vendor's name; the item or service purchased; a short explanation; and the dollar amount.

**F.** Assist the OMDD in preparation of an on-going three year plan for the economic development of the Community. This three-year plan will be incorporated into the OMDD's program of action in succeeding future years and monitored and updated annually throughout the life of this Agreement.

**G.** Make its books and financial records concerning the funds expended under this agreement available to the OMDD Board for inspections and review and audit. The CITY will, as part of its financial services to the OMDD, provide an annual report and accounting of all expenditures of the OMDD.

THE OMDD WILL compensate the CITY for services rendered pursuant to this Agreement in the sum of \$800.00 per month for the term of this Agreement. Such funds to be expended only under the terms, conditions and restrictions and for the purposes specifically set forth in this Agreement. Payments shall be conditioned upon the OMDD's timely receipt of these reports of the CITY set forth in item E and F above.

OMDD AND CITY JOINTLY AGREE:

A. That all persons working for the CITY under this Agreement shall be employees of the City, subject to its exclusive management and control, and shall in no way be considered employees of the OMDD; and that any liability which might arise under the Worker's Compensation Law of the State of Texas due to any injury of any employee of the City shall be the sole liability of the City.

B. That this contract is not assignable.

C. That this Agreement shall continue in force and the payments hereunder shall continue until October 1, 2015, at which time it will be terminated or renewed under terms approved by the OMDD.

WITNESS OUR HANDS THIS 12<sup>th</sup> DAY OF March, 2015.



THE CITY OF OVERTON, TEXAS  
A MUNICIPAL CORPORATION

BY CR Evans, Jr.  
CR Evans, Mayor

ATTEST: Charles Cunningham  
Charles Cunningham, City Manager

OVERTON MUNICIPAL DEVELOPMENT DISTRICT

BY Robert Heath  
Robert Heath, President of the Board

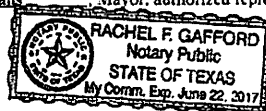


ATTEST: Dennis M. Parry  
Dennis, M. Vice President/ Secretary

STATE OF TEXAS )  
                          ) ss.  
COUNTY OF RUSK )

THE STATE OF TEXAS       §  
COUNTY OF RUSK         §

This instrument was acknowledged before me on the 12<sup>th</sup> day of March, 2015, by CR Evans, Mayor, authorized representative for the City of Overton.

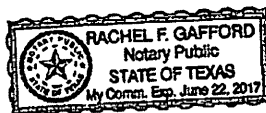


Rachel F. Gafford  
NOTARY PUBLIC, STATE OF TEXAS  
Rachel F. Gafford  
Printed Name

My Commission Expires: 06/22/2017

THE STATE OF TEXAS       §  
COUNTY OF RUSK         §

This instrument was acknowledged before me on the 12<sup>th</sup> day of March, 2015, by Charles Cunningham, City Manager, authorized representative for the City of Overton.



Rachel F. Gafford  
NOTARY PUBLIC, STATE OF TEXAS  
Rachel F. Gafford  
Printed Name

My Commission Expires: 06/22/2017