

**MINUTES
OF
CITY OF WHARTON
FINANCE COMMITTEE MEETING
120 EAST CANEY STREET
WHARTON, TEXAS 77488
Monday, June 22, 2020 –5:30 p.m.**

City Manager Andres Garza, Jr. declared a meeting of the City Council Finance Committee duly open for the transaction of business at 5:38 p.m.

Committee Members present were: Councilmember Russell Machann, Councilmember Alice Heard and Mayor Tim Barker.

Committee Member absent was: None.

City Council Member present was: Councilmember Don Mueller, Councilmember Terry Freese and Councilmember Clifford Jackson.

Staff members present were: City Manager Andres Garza, Jr., Assistant to the City Manager Brandi Jimenez, Finance Director Joan Anandel and Community Development Director Gwyn Teves.

Staff member absent was: None.

Visitors: Mr. Chad Odom-Wharton Economic Development Corporation Executive Director and Ms. Natalie Frels-The County Gin.

Public Comments. There were no public comments.

The first item on the agenda was to review and consider minutes from the meeting held May 26, 2020. Councilmember Russell Machann made a motion to approve the minutes as presented. Councilmember Alice Heard seconded the motion. All voted in favor.

The second item on the agenda was to review and consider Resolution: A resolution of the Wharton City Council approving auditing services with Harrison Waldrop & Uherek, LLP for the City of Wharton for a period of three years and authorizing the Mayor of the City of Wharton to execute all documents related to agreements on behalf of the City of Wharton. Finance Director Joan Anandel presented a copy of a draft resolution approving an agreement with Harrison Waldrop & Uherek, LLP. for auditing services for the City of Wharton. She also stated that the agreement would be for a period of three years. After some discussion, Councilmember Alice Heard made a motion to recommend to the City Council the approval of auditing services with Harrison Waldrop & Uherek, LLP. Mayor Barker seconded. All voted in favor.

The third item on the agenda was to review and consider Resolution: A resolution of the Wharton City Council supporting Wharton County's Application to the Texas Water Development Board for the study of the Waterhole Creek-Caney Creek Basin and committing funds over a two-year period and authorizing the Mayor of the City of Wharton to execute all documents related to said application. Community Development Director Gwyn Teves stated to the Committee that Wharton County had submitted an application to the Texas Water Development Board (TWDB) for a study of the Waterhole Creek – Caney Creek Basin for a Flood Protection Planning Study

and had requested a letter of support and a commitment of \$18,000 from the City. She stated that it would take over a period of two years to complete the study if the grant application is approved. She stated that the study would involve a complete H&H study of the entire watershed from the City of Wharton down to the Gulf Intracoastal Waterway. She stated that this study would include new field survey of all bridges and culverts, new hydrologic modeling, new unsteady hydraulic modeling, flood reduction/conveyance improvement alternative analysis, regional detention location analysis and development of an overall drainage master plan for all of Lower Caney Creek. She stated that this study would be jointly funded by Wharton Co., Matagorda Co., TWDB (FIF Grant program), and possibly Matagorda Co. DD1. After some discussion, Councilmember Russell Machann made a motion to recommend to the City Council the approval of the submission of the application to the Texas Water Development Board for the study of the Waterhole Creek – Caney Creek Basin for a Flood Protection Planning Study. Councilmember Tim Barker seconded the motion. All voted in favor.

The fourth item on the agenda was to review and consider Resolution: A resolution of the Wharton City Council authorizing the request to apply to the EDA Cares Act Recovery Assistance Program as part of the FY 2020 Public Works and Economic Adjustment Assistance in support of the expansion of Prime Eco Fluids and authorizing the Mayor of the City of Wharton to execute all documents related to said submission. Community Development Director Gwyn Teves stated to the Committee that on May 7, 2020, Secretary Wilbur Ross made EDA's CARES Act Recovery Assistance funding available with the announcement that EDA had published an Addendum to its FY 2020 Public Works and Economic Adjustment Assistance Notice of Funding Opportunity. She stated that the EDA intended to deploy its CARES Act funding as quickly, effectively, and efficiently as possible, and in a manner that met community's needs. She stated that the City Staff was requesting to submit applications to the EDA Cares Act Recovery Assistance Program as part of the FY 2020 Public Works and Economic Adjustment Assistance in support of the expansion of Prime Eco Group, Inc., located at 2933 Tx-60, Wharton, Texas. After some discussion, Councilmember Russell Machann made a motion to recommend to the City Council the submission of an application to the EDA Cares Act Recovery Assistance Program as part of the FY 2020 Public Works and Economic Adjustment Assistance in support of the expansion of Prime Eco Fluids. Councilmember Alice Heard seconded the motion. All voted in favor.

The fifth item on the agenda was to review and consider Resolution: A resolution of the Wharton City Council authorizing and providing for the incurrence of indebtedness for the purpose of providing for the cost of designing, land acquisition and construction of the FM 1301 and Railroad Overpass Project through the Texas Department of Transportation State infrastructure Bank Loan Program and authorizing the Mayor of the City of Wharton to execute all documents related to said submission. Community Development Director Gwyn Teves stated to the Committee that on February 10, 2020, the City Council approved the submission of an application to the State Infrastructure Bank Transportation Loan Program through the Texas Department of Transportation for the FM 1301 and Railroad Overpass Project. She stated that since that time the City Staff had met with James Gilley, Financial Advisor, Tom Sage, Bound Counsel, and a representative from TxDOT to discuss financing options for this project. She stated that it is the recommendation that the project be financed through the use of Certificates of Obligation for a period of 30 years. She stated that through this option the City would be able to:

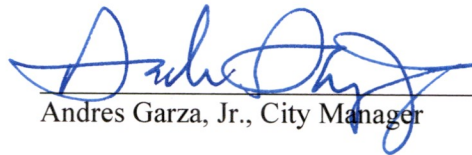
1. Incur no interest for years 1-3.
2. Capitalize interest for years 4-5.
3. 2% Principal payment only for years 1-5.
4. Principal and interest for years 6-30.

After some discussion, Councilmember Russell Machann made a motion to recommend to the City Council the approval of providing for the incurrence of indebtedness for the purpose of providing for the cost of designing, land acquisition and construction of the FM 1301 and Railroad Overpass Project through the Texas Department of Transportation State infrastructure Bank Loan Program. Councilmember Alice Heard seconded the motion. All voted in favor.

The sixth item on the agenda was to review and consider Wharton Economic Development Corporation Fiscal Year 2020-2021 Annual Budget. The Committee reviewed the Wharton Economic Development Budget. After some discussion, Councilmember Alice Heard made a motion to recommend to the City Council the approval of the Wharton Economic Development Corporation Fiscal Year 2020-2021 Annual Budget. Councilmember Russell Machann seconded the motion. All voted in favor.

The seventh item on the agenda was adjournment. Councilmember Alice Heard moved to adjourn. Councilmember Russell Machann seconded the motion. All voted in favor.

The meeting adjourned at 6:50 p.m.



Andres Garza, Jr., City Manager