

**MINUTES  
OF  
CITY OF WHARTON  
FINANCE COMMITTEE MEETING  
120 EAST CANEY STREET  
WHARTON, TEXAS 77488  
Monday, September 14, 2020 –5:45 p.m.**

City Manager Andres Garza, Jr. declared a meeting of the City Council Finance Committee duly open for the transaction of business at 5:50 p.m.

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

Committee Member absent was: Councilmember Alice Heard.

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

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

Staff member absent was: None.

Visitors: None.

Public Comments. There were no public comments.

The first item on the agenda was to review and consider minutes from the meeting held August 24, 2020. Councilmember Russell Machann made a motion to approve the minutes as presented. Mayor Tim Barker seconded the motion. All voted in favor.

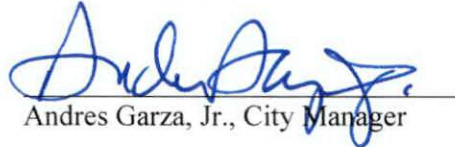
The second item on the agenda was to review and consider Resolution: Resolution authorizing Publication of Notice of Intention to Issue Certificates of Obligations. Finance Director Joan Andel stated to the Committee that the City staff had been working with Mr. James Gilley of U.S. Capital Advisors LLC, the City's financial advisor, and Mr. Tom Sage, bond counsel with Hunton Andrews Kurth LLP, regarding the intention to issue certificates of obligation for the State Infrastructure Bank (SIB) loan thru the Texas Department of Transportation (TxDOT) for the Extension of FM1301 from SH 60 to US 59 in Wharton. She stated that the notice is required to be published once a week for two (2) consecutive weeks. She stated that the date of the first publication had to be at least forty-six (46) days before the date of the passage of the ordinance authorizing the issuance of the certificates of obligation. She stated that in order to have all of the funding in place to move forward with the implementation of the project, it was necessary to publish this notice of intent with the first publication being on Saturday, September 19, 2020. After some discussion, Councilmember Russell Machann made a motion to recommend to the City Council approval for the authorization of the Public Notice of Intention to Issue Certificates of Obligations. Mayor Tim Barker seconded the motion. All voted in favor.

The third item on the agenda was to review and consider Resolution: Resolution of the City Council of the City of Wharton, Texas, expressing intent to finance expenditures to be incurred. Finance Director Joan Andel stated to the Committee that the City issued Tax Anticipation Notes,

Series 2019 on March 25, 2019 to be used to fund the acquisition of land or interest in land for the purpose of flood control and the cost of professional services incurred for the Lower Colorado River Basin Phase I, Texas Wharton Flood Risk Management Project in the amount of \$1,555,000. She stated that at that time, the City Staff thought that this amount would be sufficient to cover the necessary expenditures and to be reimbursed timely from the United States Army Corp of Engineers (USACE). She stated that the City had not been receiving reimbursements timely from the USACE and had worked diligently to provide all requested documentation and clarification of items to the USACE so that reimbursements could be made to the City. She stated that the City Staff felt the need to issue additional debt in the interim so that the project can move forward. She stated that the City Staff had been working with Mr. James Gilley of U.S. Capital Advisors LLC, the financial advisor for the City of Wharton, to discuss additional funding for this project as well as any other funding needs that could be included. She stated that the City Staff was requesting that the City seek additional funding in the amount of \$5,000,000 to cover costs incurred for the levee project, HMGP drainage projects and the auxiliary power project. She stated that Mr. Gilley had recommended the City seek to obtain Tax Anticipation Notes for a maximum period of 7 years with the option of having these callable at any time. After some discussion, Councilmember Russell Machann made a motion to recommend to the City Council the approval of the resolution expressing intent to finance expenditures to be incurred. Mayor Tim Barker seconded the motion. All voted in favor.

The fourth item on the agenda was adjournment. Councilmember Russell Machann moved to adjourn. Mayor Tim Barker seconded the motion. All voted in favor.

The meeting adjourned at 6:30 p.m.

  
Andres Garza, Jr., City Manager