

Special Council Meeting

January 16, 2018

Meeting called to order by Mayor Harley at 4:00pm.

Present were Mayor John R. Harley, Councilman Justin Wright, Councilman J. Micheal Evans and City Attorney Rebecca Tydings. Absent Councilman Edward Armijo.

Bond Referendum Discussion – (speakers Attorney Jon Pannell; Tom Owens, Raymond James):
City Attorney stated that there has been discussion re: Center Park for some time now and within that discussion the issue of project funding sources (est. \$2,000,000.00) bears further discussion.

Attorneys John Pannell and Tom Owens began discussion. Mr. Pannell began briefly with bond referendum discussion. Councilman Evans stated that they are looking at how this process works re: financing options. Mr. Pannell informed the governing authority that there are 3 possible ways to fund project: (1) TAN-tax anticipation note-does not require special election, not subject to vote (2) Revenue Bond-does not require special election, not subject to vote (3) General Obligation Bond – would require special election to pose bond referendum question on ballot. The call for the election, would include the bond referendum question that consisted of the specifics of what the bond proceeds funds would pay for within the project. This is repaid over the course of time through ad valorem taxes which shows a separate levy on the property tax bill. This method is the most secure with the most favorable, most secure credit. Mr. Pannell provided handout to Mayor and Council of preliminary election schedule timeline -May 22, 2018 General Bond Referendum. The Mayor and Council will have to decide on the wording of the ballot question within parameters set out by law such as “bond, layout in the notice, principal amount to pay back in 10 years, notice of election-language from the state that would be input within the notice.” Copy of handout attached and made part of official minutes.

Director of Marketing/ Economic Development Kate Hogan reminded everyone there is \$250,000 with \$722,000 in cost for infrastructure, opined that 1.1 million or more would be sufficient for the currently proposed work. Councilman Wright asked if the goal of the bond is to complete the first phase. City Attorney Tydings stated all of phase one and identify other projects for future. Mr. Pannell stated you could borrow an amount but not utilize all of money that was originally bonded. Mrs. Hogan stated that the Senior Citizens group has mentioned donating \$65,000 to the Center Park project.

Tom Owens with Raymond James Financial briefly talked about some of their services and provided a sample letter of intent to City Attorney Tydings. This letter would have to be executed if, in fact, the city decides to use their services associated with a general obligation bond referendum. Presented handout re: General obligation bonds to Mayor and Council. Mr. Owens also recommended to Mayor and Council to look at the tax digest and discussed the potential for raising one mil and dedicating that mil towards the project. Copy of handout attached and made part of official minutes.

Councilman Andrews arrived to the meeting at 4:47pm.

City Attorney reported that the next Regular Council meeting will be February 6; drop dead date is Feb 21st, the project scope/description and the proposed referendum question needs to be done and submitted. Mrs. Hogan reminded everyone of the planning retreat February 2-3; another opportunity for Mayor and Council to take action if decided to move forward with bond referendum.

No motion or action taken at meeting.

Meeting adjourned at 4:53pm.

Mayor John R. Harley

Attest by City Clerk Krista Bedingfield

Date