

MINUTES OF THE

COMMISSIONERS' COURT

SPECIAL MEETING - AUGUST 13, 2020

On the 13th day of August, 2020, there was a Special Meeting of the Commissioners' Court in the Commissioners' Courtroom, 2840 Hwy 35 N, Rockport, Aransas County, Texas, with the following members present in person, via ZOOM, or via YouTube: C. H. "Burt" Mills, Jr., County Judge; Jack Chaney, Commissioner, Precinct 1; Leslie "Bubba" Casterline, Commissioner, Precinct 2; Charles Smith, Commissioner, Precinct 3; Wendy Laubach, Commissioner, Precinct 4; and Valerie K. Amason, County Clerk.

Other County Officers present in person, via YouTube, or via Zoom, were Kristen Barnebey, County District Attorney; Pam Heard, District Clerk; Bill Mills, Sheriff; Tracy Orr, Administrative Assistant to the County Judge; Jacky Cockerham, County Auditor; Tana Taylor; First Assistant County Auditor; John Strothman, Pathways Project Manager; Collin Jackson, IT Director; Michele Carew, Elections Administrator;

Members of Local City Government, Community Groups and other Interested Parties present:

Aransas County Citizens: Pat Rousseau, County Commissioner, Pct. 3, Elect; Diane Probst; April Clark; Mark Wagnon; Allan Smith; Mike Fields; Al Johnson; John Jackson; Jatin Patel;

Bickerstaff, Heath, Delgado & Acosta, LLP: David Mendez, Attorney, specializing in but not limited to, Public Finance;

The Rockport Pilot Newspaper: Mike Probst, Editor and Publisher;

The Meeting was convened at 3:30 p.m. at which time a quorum was declared by Judge Mills, WHEREUPON, the following proceedings were had and done to wit:

CITIZENS TO BE HEARD

Pat Rousseau stated that she would like to reserve her questions until Item #2 was considered.

ITEMS FOR DELIBERATION AND/OR ACTION

1. Motion was made by Commissioner Chaney and seconded by Commissioner Smith to approve District Court Technology Fund and Fee \$10, 2021 for the preservation and restoration of the District Clerk's Records pursuant to Texas Government Code Sec. 51.305 and request approval of funding a records management expenditure in an amount up to \$22,535 and appropriate budget line item transfer from reserves. Question. Motion carried unanimously.

It is so ordered.

Judge Mills read the next agenda item and stated that before we go any further he would just like to say I'm not really afraid to let the people vote on this issue because I feel once they get the facts and information I feel confident that they will come to the same conclusion that the overall tax decrease to gain the new Courthouse that we need, one that is sized for the next 70 years, is a wise investment. And that we need to secure grants to make sure that we are more resilient in the future

(Insert)

and improve the medical services we have here locally any way that we can. With that being said the process outlined by the State is very rigid in nature. We started pursuing the Certificates of Obligation because the timeframe and schedule committed to our funding partners was very favorable. Remember, the sooner we get this done, the less costly it will be and the more assurance we can bring to the process the better the project will be. That being said, do I have a motion?

2. Motion was made by Commissioner Chaney and seconded by Commissioner Smith to approve an Order calling a bond election to be held within Aransas County, Texas, making provision for the conduct and giving notice of said election, and containing other provisions necessary and incidental to the purpose hereof. Question.

Commissioner Laubach: I make a motion to amend the amount back down to the \$14,250,000, which makes for, if I'm not mistaken, \$12,000,000 some odd for the courthouse instead of \$17,200,000. And I understand from prior discussions in open court, I understand that I am bringing up something that does not have general support of the Commissioner's Court, but I did tell members of the public that I would at least raise it, and that's what I'm doing. So I guess that would be in the form of a motion to amend the Resolution that's before us to shrink the total amount back down to \$14,250,000 which corresponds to the original two-story Courthouse plans.

Judge Mills: Motion's been made, do I have a second. The motion to amend dies due to the lack of a second.

Commissioner Laubach: I have one more question, and that is, I'm convinced, looking at the form of Resolution, that this action that we are taking today completely disposes of the Certificate of Obligation form of bond that we were previously proposing. That it just goes away completely and it's totally superseded by the new General Obligation Bond and I just want to make that statement on the record and invite anybody to contradict me if that's at all wrong. Because otherwise we are asking the public to read this legal document which, you know, only a lawyer could love.

Commissioner Smith: I think Commissioner, that it if you look at paragraph 3 on the order right there it says Commissioners' Court has determined, prior to issuing any debt obligation of the County for these projects, including any Certificates of Obligation, then an election should be held to determine.

Commissioner Laubach: I agree, I'm a lawyer, I read it, I was satisfied, as I say it's language only a lawyer would love, and also the public's never seen that document. So, I'm just stating for everybody present today, we have a Resolution, a form of which we've looked at, we are comfortable it disposes of the old CO Bond and we are going forward on the GO Bond only.

Pat Rousseau: I have a question then.

Judge Mills: Yes ma'am.

Pat Rousseau: For those of us who have not seen the Resolution, or whatever the document is, to which Commissioner Smith and Commissioner Laubach are referring, could you inform us if it says what type of a bond, and the amount.

Judge Mills: A GO Bond.

Commissioner Chaney: The amount is \$17,235,000 for the Courthouse, \$1,295,000 for the construction of roads and drainage, and \$1,370,000 for the purpose of construction and to equip a county building to be utilized as a Micro-Hospital.

Pat Rousseau: Was there anything in there, perhaps in that second amount, that's going to be used for an offset for the match that the County's required to pay on some of their Grants?

Commissioner Casterline: I spent some time with the attorney on the form of that and I thought the same thing and that verbiage is what the law requires, that money could be used, it could be used for the match or I guess, if the grants fell through, you could use it on that amount.

Pat Rousseau: Right.

Commissioner Chaney: Correct me if I'm wrong, it doesn't fall solely to the Courthouse, that's our match for the Road and Drainage Project.

Commissioner Casterline: And the same thing on number C, the hospital, they are working on a \$10,000,000 grant for some type of a facility, to my understanding, that money would be or could be used for the match on that also.

Pat Rousseau: Thank you for that clarification.

Commissioner Laubach: And that answers the question that I have often been asked and that is, if this was literally for matching funds, what would happen if we didn't get the grant? So the way it's stated now, it's for the purpose for what the grants are for, we can spend it directly or we can spend it for the matching funds for grants for that purpose. But we won't be stuck with, what will we do if we don't get the

grants, we can just spend it directly on improvements either for the hospital or for the roads.

Commissioner Smith: It's my understanding, in talking with Mr. Henderson, that any of these funds that are left over, or are not used because of failure of the grants, that money would be used to reduce the bonded indebtedness.

Commissioner Laubach: We are allowed to pre-pay, if we don't use the money?

Jacky: Yes.

David Mendez: Judge, if I might, depending on if the measure passes and the bonds are sold, the question on whether you can pre-pay it or not, is a question to be determined at the time you sell the bonds. What the Commissioner has stated is correct, any unused funds would go to the Interest and Sinking Fund to provide for debt service whenever an opinion can be made.

Commissioner Laubach: So either Sinking Fund or Pre-pay, which ever makes sense at the time?

David Mendez: If you could pre-pay...

Commissioner Smith: Yeah, if it's included in the bonded indenture, the language is there and I think that's what Mr. Henderson would say, he intends to try and work that in there.

Commissioner Laubach: In other words, what we are not doing is saying we can spend it on something else, if we don't spend it on the thing that we identified, it goes into a Sinking Fund or Prepayment.

Judge Mills: Any other discussion? Ok, we have a motion and a second all those in favor?

(Insert)

Motion carried unanimously.

It is so ordered.

No further business presenting, the Court adjourned at 3:38 a.m. on a motion made by Commissioner Casterline and seconded by Commissioner Smith.



C. H. "BURT" MILLS, JR., COUNTY JUDGE



VALERIE K. AMASON,

EX-OFFICIO CLERK OF THE

COMMISSIONERS' COURT