

City of Meadowlakes Called Meeting Minutes December 29, 2011

I. CALL TO ORDER AND QUORUM DETERMINATION: Mayor Don Williams called the meeting to order at 3:00 declaring that a quorum was present at the Meadowlakes Municipal Building in Totten Hall, 177 Broadmoor, Meadowlakes, Texas. Council members present were Rusty Crawford, Franzella Jones, Barry Cunningham, Paul Sarcione and Bill Pickard. Also present were City Manager Johnnie Thompson, and City Secretary Stephanie Littleton.

II. NEW BUSINESS

- A. Consideration and possible action on the Meadowlakes Public Facilities Corporation's structure, organization, programs, activities, replacement of board members and continued existence.

Mayor Williams introduced this item by reminding council members that an executive session may be required for any organizational changes to the PFC. Mr. Williams asked Council to give consideration of the direction of the City's role in PFC matters. He outlined some workshop suggestions, including allowing the City to act as a bank and certain requirements thereof, reminding Council that City Manager Johnnie Thompson needs to know what the council wants him to do. Mayor Williams asked the Council how they want the City to move forward and if they desire that the City leave the PFC alone or take a more active role. Councilmember Jones requested to go into executive session but the motion failed for lack of a second. Council discussion ensued relating to specific financial transactions and loan repayments. Councilmember Pickard stated his desire for the PFC to be successful and self-supporting, but that he does not see that occurring anytime soon. He then proposed suspending the PFC payments to the City until the final equipment lease payment is made in May, adding the net cost to the city of making the final equipment lease payment back into the loan principle, stating that this would provide them extra operational cash and would consequently require that the May lease payment be made from City reserves. City Manager Johnnie Thompson pointed out that this would require a complicated budget amendment from the General Fund. Mr. Thompson stated that he thinks there's a way to accomplish this, but it would require legal counsel and the money would be added back into the loan clarifying that Council does have authority to suspend a portion of the PFC debt. Conversation ensued regarding debt and how it was assumed by the PFC and how the various funds of the city operate. Further discussion ensued regarding ways in which the City could legally subsidize the golf course.

Councilmember Cunningham stated that he desires a longer term solution than Councilmember Pickard's proposal, which he views as only a temporary solution. Councilmember Sarcione mentioned whether POA assistance is an option. Mayor Williams stated that if the City and POA become financially involved with the PFC, the accounting systems would need to improve. Councilmember Jones reiterated the need for better accounting and communication and suggested a City Council liaison to the PFC Board. Mayor Williams recommended that Council spend some more time examining the issue and reconvene. Councilmember Jones asked about buying effluent from the City of Marble Falls. Mayor Williams responded that the City had visited with Marble Falls City officials, but the possibility is just discussion at this point. Mayor Williams stated his desire to resume the PFC issue at the January 10th meeting. He asked Johnnie Thompson to create a package with all proposals for Council to review and take possible action on at the January meeting. PFC Board President Steve Hawkins stated his preliminary support for Councilmember Pickard's plan, explaining that he is not in favor of loan forgiveness, but would possibly support a loan suspension. Councilmember Sarcione suggested a meeting with members of the POA, PFC, City Council and Johnnie Thompson. POA President Roy Belcher asked for more info about what was being requested of the POA, and gave his support for a meeting with various Committee members. Councilmember Sarcione expressed his desire to see this meeting happen prior to the January 10th Council meeting.

III. COUNCIL & MAYOR ANNOUNCEMENTS:

- a. **Next Council meeting January 10th at 5:00 p.m.**
- b. **Burn ban was allowed to expire.**
- c. **Christmas tree collection Tuesday's through January 17th**

IV.ADJOURNMENT: Mayor Williams adjourned the meeting at 3:42 p.m.

Approved:

/s/ Don Williams **Date:** 1-10-12
Mayor, Don Williams

Attest:

/s/ Stephanie Littleton **Date:** 1-10-12
City Secretary, Stephanie Littleton