

Old Town Spring Improvement District



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Minutes of the Regular Monthly Meeting Of Old Town Spring Improvement District Board of Directors

ESTABLISH QUORUM AND CALL MEETING TO ORDER

The Board of Directors of the Old Town Spring Improvement District (OTSID) held a monthly meeting, open to the public, on the 13th day of July 2015, at 5:00 pm at the OTSID office, 606 Spring Cypress Rd., Spring, TX 77373, inside the boundaries of the District and the roll was called of the duly appointed/elected members of the Board, to-wit:

Pam Golden	Position 1-President
Kathy Moore	Position 2-Financial Officer
Clarence Williams	Position 3-Director
Ron Krueger	Position 4-Vice President
Yvonne Denbina	Position 5-Secretary

All of the above Board members with the exception of Kathy Moore were present. Yvonne Denbina was counted as absent at the beginning of the meeting. Quorum was established. Also in attendance were Kent Clingerman from Harris County Precinct 4, Robin Bobbitt from Law Firm Radcliffe, Bobbitt, Adams, and Polley, PLLC, Ellen Saxe from Saxe Properties, Gloria Williams, LuAnne Schultz from the Spring Historical Society, Elsa Barret from the Little Dutch Girl, Seth Sanders from Puffabelly's, Ursula Sledge from the German Gift House, Richard Speer from the Lana Williams Gallery, and Elisabeth Meehan, OTSID Office Administrator. Yvonne Denbina arrived at 6:00 pm.

1. DETERMINATION OF QUORUM: CALL TO ORDER

The Board meeting was called to order at 5:10 pm.

2. APPROVAL OF MINUTES FROM MONTHLY BOARD MEETING ON MAY 11, 2015

Upon a motion duly made by Clarence Williams and seconded by Ron Krueger, the Board voted to unanimously accept the minutes from June 8, 2015 as presented.

3. CONSIDER/DISCUSS USE OF RING CENTRAL FAX LINE

Pam Golden stated in June 2015 the Board discussed the possibility of having a fax line and had Elisabeth Meehan research the option of using Ring Central faxing through email. Ring Central is inexpensive, but requires a credit card and the District does not operate with a credit card. The fax number that is no longer in use has been removed from the website. If faxes need to be made, there are two Board directors with fax machines

available. A motion was made by Clarence Williams to remove the use of the fax line at the office. The motion was seconded by Ron Krueger. The motion carried.

4. CONSIDER/DISCUSS SAFETY DEPOSIT BOX

Pam Golden reported Kathy Moore's investigation of the safety deposit box found it has been empty since 2009. It is currently costing the district \$25 a year. A motion was made by Clarence Williams to terminate the use of the safety deposit box. The motion was seconded by Ron Krueger. The motion carried.

5. CONSIDER/DISCUSS/REPORT OF OPEN HOUSE ON JUNE 11, 2015

Pam Golden reported that six people came and three other merchants dropped off business brochures. It was a chance for people to see the Visitors Bureau. Refreshments were served. Pam Golden announced the Visitors Bureau will have a third quarter open house, with a date to be announced.

6. CONSIDER/DISCUSS/REPORT OF VISITORS BUREAU AD PLACED IN HNWCC GUIDE

Pam Golden stated the Houston Northwest Chamber of Commerce has an annual Lifestyle Guide with a directory and ads. Barbara Thomason encourage the Board to place an ad in its 2016 issue at the June 2015 meeting. The Board doesn't have a fee schedule at this time, it is currently located in the phone directory listing. Full page, quarter page and business card size ads are available. August 31, 2015 is the deadline for purchasing an ad. A motion was made by Clarence Williams to table discussion until a fee schedule can be obtained to determine if an ad purchase is feasible. The motion was seconded by Ron Krueger. The motion carried.

7. CONSIDER/DISCUSS VISITOR'S BUREAU QUARTERLY REPORT

Pam Golden stated visitor numbers reflect the Visitors Bureau and Spring Historical Museum visits. This information will be sent to TexDot. A motion was made by Clarence Williams to accept report as presented. The motion was seconded by Ron Krueger. The motion carried. (SEE ATTACHMENT #1)

8. CONSIDER/DISCUSS/REPORT OF ASSOCIATION OF WATER BOARD DIRECTORS CONFERENCE ON JUNE 18-21, 2015

Pam Golden reported on her attendance at this conference. It was well attended and she received helpful information. The conference offered new member sessions attended by Pam Golden. The session concerned the legal, contractual and bookkeeping side of water boards, HOAs and special districts like OTSID. Pam Golden will present more from the conference in the future.

9. CONSIDER TERMINATION OF LEGAL SERVICES AGREEMENT WITH SMITH MURDAUGH LITTLE AND BONHAM, L.L.P AND AUTHORIZE REQUEST FOR RELEASE OF DISTRICT RECORDS;

Pam Golden reported the Board has the original contract with Smith, Murdaugh, Little and Bonham, L.L.P. OTSID has had this firm as legal representation since May 2003. Sara Anderson was the partner working with the District. Ron Krueger asked as a new

Board member to explain the reason for termination. Pam Golden explained new legal representation has been investigated by the Board for several months now. Clarence Williams stated it is due to a history of ongoing issues with quality of work and the missed election in 2014. A motion was made by Clarence Williams to terminate the legal services of Smith, Murdaugh, Little and Bonham, LLP effective immediately and request a release of District files. The motion was seconded by Ron Krueger. The motion carried. (SEE ATTACHMENT #2)

10. CONSIDER ENGAGEMENT OF RADCLIFFE BOBBITT ADAMS AND POLLEY P.L.L.C. AND TAKE ACTION ON SAME

Robin Bobbitt brought an engagement letter for the Board. She stated her firm prepares agendas and minutes for districts, except for those who have staff. They are able to prepare and file agendas to save districts time and money. She advised the Board that certain required statutory language is missing from their current agenda. Ms. Bobbitt explained that under Texas procurement law, the District cannot seek bid for professional services. Decisions must be based on qualifications. Ms. Bobbitt offered the services of herself and her Firm for legal counsel, mediation, and elections. The Firm has adjusted rates for OTSID and will work with the Board in meeting attendance and Board training. A motion was made by Clarence Williams to retain the firm of Radcliffe, Bobbitt, Adams and Polley PLLC and sign the engagement letter. The motion was seconded by Ron Krueger carried. (SEE ATTACHMENT #3)

11. CONSIDER/DISCUSS PENDING MOTION ON RESOLUTION ADOPTING RULES REGARDING MEETING PROCEDURES

Pam Golden stated the Board had a motion tabled from the June 2015 Board meeting regarding this Resolution. It was sent to legal counsel for review. The current Resolution was Adopted in 2003 and Readopted in 2012. Board directors have a copy of the Resolution and the memo from legal counsel. Clarence Williams stated the Resolution had been approved in the previous meeting and agrees that the new language in section 2D from Sara Anderson's legal review should be added to the Resolution.

Passage of an Item. If a majority of those present vote in favor of an item, the motion carries, otherwise the motion fails; except that in the event of a tie, the President may vote to break the tie. An abstention or, "present, not voting" is counted as a "nay" vote for purpose of determining passage of an item. If a Board Director abstains due to a conflict of interest, such Board Director's abstention is not counted as a vote either way.

Sara Anderson recommended that the last sentence of section 3A should be removed, regarding the president being impartial in discussions.

The President may recognize the Administrator, the Attorney, or other consultants or informed persons as may be useful in the consideration of the item during the course of the discussion, but shall remain impartial in all discussions.

Ron Krueger stated he believes the language impartial is a gray area. Clarence Williams stated that it is neutral and that the president, regardless of personality, comes with limitations. Ron Krueger asked if the Resolution should be referred to recently engaged legal counsel. Clarence Williams said another opinion was unnecessary. Yvonne Denbina asked if this is something that needs to be considered by consensus of the Board, as stated in item 8 in the Resolution. A motion was made by Clarence Williams to approve the

Resolution that was submitted to Sara Anderson with only the addition of the language beginning with the word “except” in paragraph 2D, in regarding when the President needs to break a tie. The changes in the passage are reflected above. A comment was made by Robin Bobbitt that “abstention or present not voting counted as a nay is confusing.” Clarence Williams state the President is taking no action unless a tie occurs. The motion was seconded by Yvonne Denbina. Clarence Williams and Yvonne Denbina voted yay. Ron Krueger voted nay. The motion carried. (SEE ATTACHMENT #4 and ATTACHMENT #5)

12. CONSIDER/DISCUSS PENDING MOTION FOR OTSID TO TAKE OVER THE FIXED EXPENSES OF OPERATING PRESERVATION PARK

This previously tabled motion was sent to committee, consisting of Ron Krueger and Yvonne Denbina. Pam Golden had asked if this was a request from the Spring Preservation League and if so, it needed to come before the Board in writing. Clarence Williams stated that this is not a request from the Spring Preservation League and it will never come from the Spring Preservation League. He clarified the original motion was to dedicate twenty percent of gross monthly income to Preservation Park. Ron Krueger presented the committee’s report on the matter and the options they recommended. (SEE ATTACHMENT #6) Ron Krueger and Yvonne Denbina’s committee recommended the development of specific guidelines for OTSID and SPL to clarify who is responsible for what in the Park. Yvonne Denbina stated the committee saw leasing as a last resort and would like the Board to consider buying the land or a portion thereof outright. Clarence Williams agreed that the purchase of any property is extremely important for the District. It was his recommendation 18 months ago that the District buy property. He stated the District has had property rent free at Preservation Park for 36 months. Pam Golden stated twelve percent of the budget for this fiscal year has gone to Preservation Park, not including the approved \$21,000 for electrical repair in Preservation Park. Ron Krueger asked if instead of a flat twenty percent, the budget for Preservation Park could be based on needs. Clarence Williams stated twenty percent is a cap. Pam Golden stated the need for contracts when using government money. Clarence Williams stated that buildings in Preservation Park are owned by the District and are not maintained. He said the real purpose of Preservation Park is parking for the town. Pam Golden stated that the most current lease specifies it for parking purposes as well as the Texas Crawfish Festival and that future events are to be approved by the leasor. Yvonne Denbina stated the District need a paper trail and some kind of continuity when it comes to leasing or renting. Robin Bobbitt made a comment recommending working with Spring Preservation League over a period of four to five months, offering to pay half the lease. It is important that SPL and OTSID work together. Ron Krueger stated that it would not hurt to make an offer; he is willing to present an offer on behalf of OTSID with another Board Director. Yvonne Denbina stated one thing that was missing in the discussion was boundaries of the Park. It looks like somewhere between 5-7 acres. She asked if the Board could buy or lease a smaller portion of land. A motion was made by Clarence Williams to dedicate twenty percent of monthly income for the maintenance and repair of Preservation Park. The motion was seconded by Yvonne Denbina. The motion carried.

13. CONSIDER/DISCUSS RELOCATION OF EQUIPMENT AND PROPERTIES

FROM PRESERVATION PARK

Clarence Williams stated this discussion is moot based on item 12 discussion. Item withdrawn.

14. CONSIDER/DISCUSS MAINTENANCE OF DISTRICT OWNED BUILDINGS IN PRESERVATION PARK

No comment. Item withdrawn.

15. CONSIDER/DISCUSS LEASING BILLBOARD AT WET 'N' WILD (SPLASH TOWN)

Clarence Williams stated the Spring Preservation League's lease on the billboard at Splash Town on I-45 is expiring. He asked if the District wanted to take it. It is \$2,000 a month or with a discount if paid in full for the year. Pam Golden stated that the District's budget for marketing is small at the present time and would not cover that amount.

Clarence Williams stated that numerous individuals have also approached the owner for the lease. He believes it's beneficial to the town. Yvonne Denbina made a motion that it be tabled until August to get the input of all directors. The motion was seconded by Clarence Williams. The motion carried.

16. CONSIDER BOOKKEEPERS REPORT

Kathy Moore was absent. The report was read by Pam Golden. A motion was made by Yvonne Denbina to accept the Bookkeeper's report as presented. The motion was seconded by Clarence Williams. The motion carried. (SEE ATTACHMENT #7)

1. APPROVAL OF PAYMENT OF INVOICES – JUNE 2015 AND JULY 2015

A motion was made Clarence Williams to approve payment of invoices as submitted in the presented check detail. The motion was seconded by Yvonne Denbina. The motion carried. (SEE ATTACHMENT #8)

2. CONSIDER/DISCUSS CHARLIE D ELECTRIC INVOICES

Pam Golden stated the District received four invoices from Charlie D Electric. Clarence Williams said he will speak to Charlie D regarding these invoices.

- Invoice #227571 for \$475 to replace a main breaker in Preservation Park by the restroom.
- Invoice #227572 for \$385. Clarence Williams stated that this was not related to the ongoing security light repair. Keith Willingham alerted Charlie D Electric to a repair needed at the power pole by Drink Booth 1.
- Invoice #227574 for \$128.38 for the electric line run at the back of the District office for the sewer line. The district had previously paid \$400. Clarence Williams said this invoice was in error.
- Invoice #227575 for \$575 for power amps. Clarence Williams stated it should be billed to the Spring Preservation League.

A motion was made Yvonne Denbina to hold invoices in question for clarification. The motion was seconded by Clarence Williams. The motion carried.

Pam Golden submitted her mileage to Corpus Christi for the AWBD conference and the hotel totaling \$778.06. A motion was made by Yvonne Denbina to accept her mileage and hotel receipts for reimbursement for director travel expenses to the AWDB conference. The motion was seconded by Ron Krueger. The motion carried.

17. INVESTMENT OFFICER'S REPORT

Pam Golden reported there was interest of \$5.82 for TexPool investment. A motion was made by Yvonne Denbina to accept the Investment Officer's report as submitted by Kathy Moore. The motion was seconded by Ron Krueger. The motion carried. (SEE ATTACHMENT #9)

18. PUBLIC COMMENTS

- Ellen Saxe stated she was happy to hear that OTSID is considering advertising and helping the Spring Preservation League. Advertising is essential and very little is available through SPL due to lack of funds. She realizes the District's purpose is not to advertise, but that it won't have sales tax without advertisement. Saxe stated she is concerned that president can't give an opinion before the Board votes on an issue. She said that the town elected Board Directors to represent them. She values all Board Directors' opinions.
- Seth Sanders stated he agrees with Ellen Saxe in regards to the billboard and if it is lost it will be lost forever and cost more to get a replacement billboard. He commented that the SPL has had ups and downs in funding. He mentioned the pay box from the field and the Museum and asked where it went. Luanne Schultz said the Museum honor pay box went to the Museum. The field honor pay box went to Spring Preservation League. He asked if that money could go to the lease. Ellen Saxe commented that the SPL voted to use those donations for advertising and their website.
- Richard Speer stated the discussion of Preservation Park indicated that twenty percent went for field maintenance, but it didn't specify the lease as part of it.
- Gloria Williams stated the tax office pays salary for four people, utilities, etc. and asked how spending is made without public input.
- Ellen Saxe asked if the District is working on grant proposals and/or if it works with the Houston Northwest Chamber of Commerce on such.

19. ANNOUNCEMENTS

No announcements made. Pam Golden introduced Kent Clingerman from Harris County Precinct Four to the audience.

20. CONSIDER/DISCUSS MATTERS FOR POSSIBLE PLACEMENT ON FUTURE AGENDA

Pam Golden mentioned that items tabled for committee in the June 2015 meeting will be added to the August agenda: discussion of electrical update work, renting the corner of Preston Street, a monthly street market, moving the Spring Visitors Bureau to the Spring

Historical Museum, updates to the restrooms, and Board training through the Harris County legal department.

21. CALENDAR UPDATE, MONTHLY BOARD OF DIRECTORS MEETING, AUGUST 10, 2015 AT 5:00 PM

22. CONSIDER ADJOURNMENT

A motion was made by Yvonne Denbina to adjourn. Clarence Williams seconded said motion, which unanimously carried. The Board adjourned the meeting at 7:26 pm.

(SEAL)

Yvonne Denbina, Secretary

Kathy Moore, Financial Officer

Prepared by Elisabeth Meehan
OTSID Office Administrator

ATTACHMENTS:

1. Visitors Bureau Quarterly Report
2. Letter of termination with Smith, Murdaugh, Little and Bonham, LLP
3. Letter of engagement with Radcliffe, Bobbitt, Adams and Polley PLLC
4. Memo From Sara Anderson
5. 2015 Resolution Adopting Rules Regarding Meeting Procedures
6. Committee Recommendations Regarding Preservation Park
7. Bookkeeper's Report
8. Check Detail
9. Investment Officer's Report