

STATE OF TEXAS §
COUNTIES OF ARANSAS §
SAN PATRICIO AND NUECES §
CITY OF ARANSAS PASS §

On this the 12th day of September, 2007 the Aransas Pass Municipal Development District (APMDD) convened in a Regular Meeting being open to the Public at the regular meeting place thereof in the City Hall and notice of said meeting giving the time, place, date and subject hereof having been posted and prescribed by Chapter 551 of the Texas Government Code with the following attendance to wit constituting a quorum.

PRESENT:

RICHARD HEAD	President
HOPE COMINGORE	Vice President
TOM GINTER	Treasurer
RANDALL FREEZE	Secretary
HARLAN ROBERTS	Director
JIM COVINGTON	Director
TERRY STANSBERRY	Director
VICKIE ABREGO	Director
KAREN GAYLE	Director
ANNABEL SEALS	Director
RAYMOND STONE	Director

ABSENT

None

CITY STAFF PRESENT:

Yvonne Stonebraker	Administrative Assistant
Sandy Roddel	Finance Director

OTHERS PRESENT:

Mark McLiney, Ryan Cunningham, Alpha Covington

(There may have been others present who did not sign in.)

ITEM 1.

CALL MEETING TO ORDER

President Head called the Meeting to order at 6:30 P.M. on September 12, 2007. President Head stated there was a quorum present.

ITEM 2.

PRESENTATION BY DISTRICT ATTORNEY TOM ANDREWS CONCERNING OWNERSHIP OF GROUND FOR THE CIVIC CENTER CONSTRUCTION SITE.

APMDD Attorney Mr. Tom Andrews gave the following report,

Re: Site location for Convention Center

Mr. President and Board Members:

I have conducted a review of the ownership of that certain piece of real property located at the corner of Wheeler Avenue and First Street, commonly referred to as the old "Roosevelt Stadium" property. The review was undertaken after the Board had made an initial decision to build a Community Center on the property pursuant to a lease

agreement to be entered into between the District and the City of Aransas Pass.

In reviewing the matter, I have examined the following documents:

The original plat of the City of Aransas Pass as filed by E. O. Burton and A. H. Danforth in 1910, wherein the dedication on the sub-division map filed by Burton & Danforth, dedicates "...to the Public, all the streets, as shown on this map for the purpose of public pass ways, (and) thorough-fares..."

This dedication language does, in my opinion, dedicate to the public the open area on the sub-division map, which open area is now occupied by the school, the State of Texas through Tex Dot and the City.

On April 1, 1929, the City of Aransas Pass conveyed by Deed to the Aransas Pass Independent School District the property on the west side of Wheeler Avenue commonly referred to as the "school property". For some reason thereafter on June 11, 1987, Richard D. Hatch, Jr. executed and delivered a Deed to the APISD to exactly the same property previously conveyed by the City.

The minutes of the City Commission of Aransas Pass held on December 1, 1936, wherein the City, with members of the School Board present at the meeting, passed a resolution authorizing the lease of the Roosevelt Stadium property to the School District.

A ten year lease dated March 15, 1939, wherein the City of Aransas Pass leased to the Board of trustees of the Aransas Pass Independent School District the property known as Roosevelt stadium.

A renewal of the lease described in Paragraph "3" above, dated September 12, 1949, and being for a term of ten (10) years.

I have also reviewed the following public records:

1. APISD Board Minutes for December, 1938, and January and February, 1939;
2. City of Aransas Pass Board Minutes for December, 1938, and January and February, 1939;

After reviewing these documents, I have reached the following conclusions: The facts reveal that the subject property was dedicated to the public by Burton & Danforth. The City government became the holder of all public property to take control of such property and use it for public purposes. The property vested in the City when the dedication was filed, or as soon thereafter as a Governing body of the City was empaneled.

The facts reveal that the City has exercised dominion, possession and control of the property at least since 1939.

There have been no other claimants to the property who have advocated or formally claimed ownership for the last 70 years.

It is my conclusion that the right to use the property for public purposes has been perfected in the City.

Inasmuch as the District will be taking possession of the property pursuant to a lease with the City, the City will bear the ultimate responsibility to keep the District in possession of the property. If that responsibility fails, the lease will, of course, have to provide the District's rental payments to the City would stop.

Signed
Thomas M. Andrews, Attorney at Law
Dated: September 7, 2007

ITEM 3

CONSIDER AND ACT ON SELECTING A METHOD OF PAYMENT FOR THE CONSTRUCTION OF THE CIVIC CENTER.

Treasurer Ginter introduced Mr. Mark McLiney with Southwest Securities to explain the financing options for the Civic Center.

Mr. McLiney stated that the APMDD had two borrowing options for the Civic Center. Mr. McLiney stated that the **first option** would be Sales Tax Revenue Bonds. Mr. McLiney stated the **second option** would be City issued Certificate of Obligations with an Interlocal Agreement.

President Head stated that the amount for this project, received by the architect, was 4 million dollars and that was a sound amount.

After further discussion, Director Gayle made the motion to finance the Civic Center with option number two which was City Issued Certificate of Obligations with an Interlocal Agreement for 20 years. Secretary Freeze seconded the motion and the motion carried unanimously.

ITEM 4.

CONSIDER AND ACT ON APPROVING THE BUDGET FOR THE APMDD FOR FY 2007-2008.

Treasurer Ginter presented the FY 2007-2008 proposed budget for the APMDD Operating Fund. Treasurer Ginter stated that the proposed beginning fund balance for October 1, 2007 would be \$2,852,592.70. Treasurer Ginter stated that the proposed revenues from sales tax would be \$833,293. Treasurer Ginter stated that under expenditures there was Debt Service CO's 2002 for \$135,150.00, Debt Service CO's 2007 for \$136,281.00 and Debt Service CO's for Civic Center (estimated \$4M, for 20 yrs at 4.25%) for \$261,667.00. Treasurer Ginter stated the total would be \$533,098.00. Treasurer Ginter stated that the operating costs and professional services would be \$16,030.00. Treasurer Ginter stated that operating transfers to the Aquatics Deficit would be \$75,000.00 and the Civic Center would be \$10,000.00 which equals \$85,000.00. Treasurer Ginter stated that the proposed total expenditures would be \$634,128.00, the proposed revenue expenditures would be \$199,165.00 and that the proposed ending fund balance for FY 2007-2008 would be \$3,051,757.00.

Treasurer Ginter presented the FY 2007-2008 proposed budget for the APMDD Capital Fund (bond money). Treasurer Ginter stated that the proposed beginning fund balance for October 1, 2007 would be \$998,810.00. Treasurer Ginter stated that the proposed revenues would be \$4,072,000.00. Treasurer Ginter stated that the project expenditures

for the Civic Center would be \$4,178,000.00 and the project expenditures for the Aquatic Center (repairs) would be \$500,000.00. Treasurer Ginter stated that the proposed budget for the FY 2007-2008 capital fund account would be project expenditures of \$4,678,000.00, revenue expenditures would be \$606,000.00 and the total ending fund balance would be \$392,810.00.

Director Roberts made the motion to approve the budget for the FY 2007-2008. Secretary Freeze seconded the motion and the motion carried unanimously.

ITEM 5.

ADJOURNMENT OF MEETING.

Vice President Comingore made the motion to adjourn meeting. Director Roberts seconded the motion and the motion carried unanimously.

President Head adjourned the meeting at 7:57pm.

Richard Head, President

ATTEST:

Randall Freeze, Secretary