

**NOTICE OF MEETING**  
**(In Compliance With Sec. 551.041, Et Seq., Tex. Gov't Code)**

NOTICE is hereby given that the Board of Directors of the Baytown Municipal Development District will hold a meeting on January 3, 2008 at 4:30 p.m. in the Council Chamber of the Baytown City Hall, 2401 Market Street, Baytown, Texas.

ITEM(S) to be discussed and acted upon by the Board at this meeting is/are listed on the attached agenda.

For: Lorri Coody, Assistant Secretary

By: Leticia Garza, Assistant City Clerk

Posted: December 24, 2007

Time of Posting: 11:00 a.m.

**AGENDA**

**CALL TO ORDER**

**1. MINUTES**

**a. Approval of the Minutes**

Consider the approval of minutes of the December 6, 2007 meeting.

**2. BUSINESS ITEMS**

**a. Interlocal Agreement for the Debt Service for the West District WWTP Expansion**

Consider Proposed Resolution approving an interlocal agreement with the City of Baytown for expenditures for the West District Wastewater Treatment Plant Expansion Project.

**3. MANAGER'S REPORT**

**a. Monthly Sales Tax Report**

Receive monthly Sales Tax Report.

**4. ADJOURN**

THE CITY OF BAYTOWN AND THE BOARD OF DIRECTORS OF THE BAYTOWN MUNICIPAL DEVELOPMENT DISTRICT ARE COMMITTED TO COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT. REASONABLE MODIFICATIONS AND EQUAL ACCESS TO COMMUNICATIONS WILL BE PROVIDED UPON REQUEST. FOR ASSISTANCE PLEASE CALL 281-420-6522, 281-420-6586 FAX, OR 281-428-2019 TDD.



**MINUTES OF THE SPECIAL MEETING OF THE  
BAYTOWN MUNICIPAL DEVELOPMENT DISTRICT**

**December 6, 2007 - 4:30 p.m.**

The Board of Directors of the Baytown Municipal Development District met on November 5, 2007, at 4:30 p.m. in the Council Chambers at, 2401 Market, Baytown, and Harris County, Texas with the following in attendance:

Lynn A. Caskey	Director
Brandon Capetillo	Director
Terry Sain	Director
Don Murray	Director
Kitty Allen	Director
Stephen H. DonCarlos	President
Garry Brumback	General Manager
Ignacio Ramirez, Sr.	General Counsel
Lorri Coody	Assistant Secretary

Directors Lisa Guy, Lena Yopez, Reggie Brewer, Scott Sheley and Sammy Mahan were absent. With a quorum present, President DonCarlos called the meeting to order at 4:30 p.m.

**MINUTES**

**Consider approval of the minutes for the regular session meeting held on November 5, 2007.**

Director Murray moved to approve the minutes as submitted. Director Caskey seconded the motion. The vote follows:

Ayes: Directors Caskey, Capetillo, Sain, Murray, and Allen  
President DonCarlos

Nays: None

The motion carried.

**BUSINESS ITEMS**

**Consider Proposed Resolution approving an interlocal agreement with the City of Baytown for expenditures of up to \$100,000 from the 2007 - 2008 MDD Budget for engineering and design services associated with the construction of the Wayne Gray Sports Complex Family Aquatics Center.**

General Manager Brumback explained that the Proposed Resolution approved an interlocal agreement with the City of Baytown for expenditures of up to \$100,000 from the 2007 - 2008 MDD Budget for engineering and design services associated with the construction of the Wayne Gray Sports Complex Family Aquatics Center.

He reminded the Board that it had approved \$380,000 in funding from the 2006 – 2007 Budget during the August 2007 MDD meeting. This will supplement that funding for the engineering and design services for the Wayne Gray Sports Complex.

Scott Johnson, Director of Parks and Recreation, gave a short presentation showing a poster of the proposed pool and aquatics center. He explained the project's features and the various components: waterslide, teardrops, waterbucks, spray areas, beaches, lap pool, tub slide, tornadoes, mat racers, lazy river, the concession stand, sand volley ball and much, much more.

The board engaged in discussion about the capacity of the pool, the building of the pool with consideration for Phase II and for future expansion. There was also discussion about park rules and the ability of the general public to bring food into the park.

The current time table for the project is to award the contract to begin in January 2008 with completion of the project in May of 2010.

Director Murray moved to approve the resolution as submitted. Director Sain seconded the motion. The vote follows:

Ayes: Directors Caskey, Capetillo, Sain, Murray, and Allen  
President DonCarlos

Nays: None

The motion carried.

#### RESOLUTION NO. 102

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BAYTOWN MUNICIPAL DEVELOPMENT DISTRICT AUTHORIZING THE PRESIDENT TO EXECUTE AN INTERLOCAL AGREEMENT WITH THE CITY OF BAYTOWN FOR FUNDING OF THE ENGINEERING AND DESIGN SERVICES ASSOCIATED WITH THE CONSTRUCTION OF THE WAYNE GRAY SPORTS COMPLEX FAMILY AQUATICS CENTER; AUTHORIZING PAYMENT OF A SUM NOT TO EXCEED ONE HUNDRED THOUSAND AND NO/100 DOLLARS (\$100,000.00); MAKING OTHER PROVISIONS RELATED THERETO; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.

*President DonCarlos announced that the next two items would be taken together:*

#### **Consider Proposed Resolution authorizing the Economic Development Basic Services Contract with Baytown/West Chambers County Economic Development Foundation.**

General Manager Brumback explained that the Proposed Resolution authorized the Economic Development Basic Services Contract with Baytown/West Chambers County Economic Development Foundation for an amount not to exceed \$200,000. The contract included the following services:

- Citywide Redevelopment Assistance
- Revolving Loan Programs
- Marketing and Recruitment Activities

- Local Environmental Strategy
- Intermodal Transportation Strategy
- Workforce Mobility Strategy
- Incubator without walls
- Public Policy Development
- Cooperation with other Entities
- Implementation of the Economic Development Strategic Plan
- Implement Downtown Master Plan
- Statistical Clearinghouse

**Consider Proposed Resolution authorizing the Economic Development Special Services Contract with Baytown/West Chambers County Economic Development Foundation.**

General Manager Brumback the Proposed Resolution authorized the Economic Development Special Services Contract with Baytown/West Chambers County Economic Development Foundation for an amount not to exceed \$100,000. The current MDD budget includes funding for a special projects contract that expired September 30, 2006. The proposed contract for special services included attendance at relevant trade shows and additional loan capital for a low interest loan program geared towards downtown revitalization. The loan program is restricted to the businesses within the District's boundaries and to the promotion of primary jobs. Consultant services for development of an Environmental Strategy, Intermodal Transportation Strategy and Workforce Mobility Strategy are also included on a reimbursement basis, not to exceed \$25,000 in each of these three areas. The contract will provide \$7,500 for trade shows and \$17,500 for the revolving loans.

Director Sain moved to approve both resolutions as submitted. Director Caskey seconded the motion. The vote follows:

Ayes: Directors Caskey, Capetillo, Sain, Murray, and Allen  
President DonCarlos

Nays: None

The motion carried.

RESOLUTION NO. 103

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BAYTOWN MUNICIPAL DEVELOPMENT DISTRICT AUTHORIZING THE GENERAL MANAGER TO EXECUTE AND THE ASSISTANT SECRETARY TO ATTEST TO AN ECONOMIC DEVELOPMENT CONTRACT BETWEEN THE BAYTOWN AREA/WEST CHAMBERS COUNTY ECONOMIC DEVELOPMENT FOUNDATION AND THE BAYTOWN MUNICIPAL DEVELOPMENT DISTRICT FOR ECONOMIC DEVELOPMENT SERVICES; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.

RESOLUTION NO. 104

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BAYTOWN MUNICIPAL DEVELOPMENT DISTRICT AUTHORIZING THE GENERAL MANAGER TO EXECUTE

AND THE ASSISTANT SECRETARY TO ATTEST TO AN ECONOMIC DEVELOPMENT SPECIAL SERVICES CONTRACT BETWEEN THE BAYTOWN AREA/WEST CHAMBERS COUNTY ECONOMIC DEVELOPMENT FOUNDATION AND THE BAYTOWN MUNICIPAL DEVELOPMENT DISTRICT FOR ECONOMIC DEVELOPMENT SERVICES; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.

## **MANGER'S REPORT**

### **Monthly sales tax report.**

Finance Director, Rhonda Daugherty, gave the sales tax report. The sales tax collected for the 2006-07 budget year was 118% over budget.

## **ADJOURN**

Director Capetillo moved to adjourn. Director Sain seconded the motion. The vote follows:

Ayes: Directors Caskey, Capetillo, Sain, Murray, and Allen  
President DonCarlos

Nays: None

The motion carried.

There being no further business, President DonCarlos adjourned the meeting at 4:55 p.m.

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Lorri Coody, Assistant Secretary

MDD-974

2.a.

**Interlocal Agreement for the Debt Service for the West District WWTP Expansion  
MDD Regular Agenda**

**Date:** 01/03/2008

**Submitted By:** Rhonda Young, Finance

**Presenter:** R Daugherty

**Department:** Finance

**Agenda Area:** Business Items

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**Information**

**Item**

Consider Proposed Resolution approving an interlocal agreement with the City of Baytown for expenditures for the West District Wastewater Treatment Plant Expansion Project.

**Preface**

The Proposed Resolution approves an interlocal agreement with the City of Baytown for an amount not to exceed 50% of the costs associated with the debt issuance of \$27,600,000 for the West District Wastewater Treatment Plant Expansion Project. This project will expand the treatment capacity from four million gallons per day to eight million gallons per day.

**Recommendation**

We recommend approval.

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**Fiscal Impact**

**Fiscal Year:**

**Acct Code:**

**Source of Funds**

**(Operating/Capital/Bonds):**

**Funds Budgeted Y/N:**

**Amount Needed:**

**Fiscal Impact (Additional Information):**

The 2007-08 MDD budget includes funding for the 50% of first year payment for the portion of the 2008 Certificates of Obligation associated with the West District Plant Expansion. Annual funding for the 20 year debt payment will be included in future MDD budgets.

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**Attachments**

Link: Resolution - Debt Service  
for WDWWT

Link: Exhibit A - Interlocal  
Agreement

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**Form Routing/Status**

<b>Route Seq</b>	<b>Inbox</b>	<b>Approved By</b>	<b>Date</b>	<b>Status</b>
		rhonda.young	11/16/2007 12:56 PM	CREATED
1	Finance	rhonda.young	11/19/2007 03:54 PM	APRV
2	Legal	Ignacio Ramirez	11/19/2007 04:03 PM	APRV
3	Finance	rhonda.young	11/19/2007 04:11 PM	APRV
4	Engineering	Dick Carter	11/30/2007 01:04 PM	APRV
5	Finance	rhonda.young	12/24/2007 08:19 AM	APRV
6	Engineering	Dick Carter	12/24/2007 09:02 AM	APRV
7	Asst. City Manager	Kelvin Knauf	12/24/2007 11:03 AM	APRV
8	Deputy City Manager	Bob Leiper	12/26/2007 02:41 PM	APRV
9	City Clerk's Office			NEW
10	City Manager			
Form Started By: rhonda.young			Started On: 11/16/2007 12:56 PM	

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A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BAYTOWN MUNICIPAL DEVELOPMENT DISTRICT AUTHORIZING THE PRESIDENT TO EXECUTE AN INTERLOCAL AGREEMENT WITH THE CITY OF BAYTOWN FOR FUNDING OF A PORTION OF THE WEST DISTRICT WASTEWATER TREATMENT PLANT EXPANSION PROJECT; AUTHORIZING PAYMENT OF A SUM NOT TO EXCEED FIFTY PERCENT (50%) OF THE COST ASSOCIATED WITH THE DEBT ISSUANCE OF TWENTY-SEVEN MILLION SIX HUNDRED THOUSAND AND NO/100 DOLLARS (\$27,600,000); MAKING OTHER PROVISIONS RELATED THERETO; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.

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BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BAYTOWN MUNICIPAL DEVELOPMENT DISTRICT:

Section 1: That the Board of Directors of the Baytown Municipal Development District hereby finds that the expenditures authorized herein are for the planning and/or the construction of a development project, which satisfy the purposes for which the funds can be expended pursuant to Chapter 377 of the Texas Local Government Code. All required findings pursuant thereto are hereby declared to have been made and adopted as findings of the Board of Directors.

Section 2: That the Board of Directors of the Baytown Municipal Development District hereby authorizes the President to execute an Interlocal Agreement with the City of Baytown for the West District Wastewater Treatment Plant Expansion Project. A copy of said agreement is attached hereto as Exhibit "A," and incorporated herein for all intents and purposes.

Section 3: That the Board of Directors of the Baytown Municipal Development District hereby authorizes the payment of an amount not to exceed fifty percent (50%) of the cost associated with the debt issuance of TWENTY-SEVEN MILLION SIX HUNDRED THOUSAND AND NO/100 DOLLARS (\$27,600,000) to the City of Baytown in accordance with the agreement referenced in Section 2 hereof.

Section 4: This resolution shall take effect immediately from and after its passage by the Board of Directors of the Baytown Municipal Development District.

INTRODUCED, READ and PASSED by the affirmative vote of the Board of Directors of the Baytown Municipal Development District, this the 3<sup>rd</sup> day of January, 2008.

\_\_\_\_\_  
STEPHEN H. DONCARLOS, President

ATTEST:

\_\_\_\_\_  
LORRI COODY, Assistant Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
IGNACIO RAMIREZ, SR., General Counsel

Exhibit "A"

**AGREEMENT FOR FUNDING FOR THE WEST DISTRICT  
WASTEWATER TREATMENT PLANT EXPANSION PROJECT**

STATE OF TEXAS           §  
  §  
COUNTY OF HARRIS       §

This Agreement for funding for the West District Wastewater Treatment Plant Expansion Project (the "Agreement") is made as of the \_\_\_\_ day of January, 2008, by and between the **CITY OF BAYTOWN**, a municipal corporation located in Harris and Chambers Counties, Texas, (the "City") and the **BAYTOWN MUNICIPAL DEVELOPMENT DISTRICT**, created under Chapter 377 of the Texas Local Government Code, as amended, (the "Act") and located in Harris and Chambers Counties, Texas, (the "District"). For and in consideration of the mutual covenants herein contained, it is agreed as follows:

**Section 1. Representations and Warranties of District.**

- a) The District is engaged in an on-going effort to provide new resources to plan, acquire, establish, develop, construct and/or renovate one or more development projects beneficial to the District, which includes the incorporated limits of the City lying within Harris County.
- b) The District covenants that it shall actively work to productively coordinate its activities with the City in an effort to reduce duplication of services.
- c) The District represents and warrants that it has been properly created and is duly authorized pursuant to the Act to enter into this Agreement.

**Section 2. Description of Program.**

The City, with the assistance of the District as herein specified, agrees to construct and administer all contracts incident to the construction of the West District Wastewater Treatment Plant Expansion Project (the "Project"). The City shall with its funds and the funds provided by the District, have the project constructed according to the plans and specifications approved by the City.

**Section 3. Reports.**

The City shall prepare and submit to the District within 120 days after the end of each fiscal year during the term of this Agreement a verbal or brief written report describing the services performed by the City pursuant to this contract during the previous year along with a summary of expenditures for the previous fiscal year.

**Section 4. Approvals.**

The District understands, hereby directs and authorizes the City to make any Project clarifications and/or modifications as may be necessary as determined by the City in its sole discretion.

**Section 5. Funds to be provided by the District.**

For and in consideration of the services to be provided by the City in furtherance of this Agreement, the District shall tender funds to the City in an amount not to exceed fifty percent (50%) of the cost associated with the debt issuance of TWENTY-SEVEN MILLION SIX HUNDRED THOUSAND AND NO/100 DOLLARS (\$27,600,000). All payments required to be made herein shall be payable on or before 30 days after the District receives an invoice therefor from the City.

**Section 6. Term.**

This Agreement shall be effective for a period commencing on the date first mentioned above, and ending 30 days after final completion and acceptance of the Project by the City, unless sooner terminated by either party hereto pursuant to the terms hereof.

**Section 7. Termination for Cause.**

A party may terminate its performance under this contract only upon default by the other party. Default by a party shall occur if the party fails to perform or observe any of the terms and conditions of this Agreement required to be performed or observed by that party. Should such a default occur, the party against whom the default has occurred shall have the right to terminate all or part of its obligations under this contract as of the 30<sup>th</sup> day following the receipt by the defaulting party of a notice describing such default and intended termination, provided: (1) such termination shall be ineffective if within said 30-day period the defaulting party cures or has commenced the cure of the default, or (2) such termination may be stayed, at the sole option of the party against whom the default has occurred, pending cure of the default.

Upon the termination of this Agreement, both parties shall be relieved of their respective obligations herein stated. This Agreement shall not be subject to termination for convenience.

**Section 8. Force Majeure.**

Any prevention, delay, nonperformance, or stoppage due to any of the following causes shall excuse nonperformance for the period of any such prevention, delay, nonperformance, or stoppage, except the obligations imposed by this Agreement for the payment of funds allocated for the District's programs. The causes referred to above are strikes, lockouts, labor disputes, failure of power, acts of God, acts of public enemies of this State or of the United States, riots, insurrections, civil commotion, inability to obtain labor or materials or reasonable substitutes for either, governmental restrictions or regulations or controls, casualties or other causes beyond the reasonable control of the party obligated to perform.

**Section 9. Refund and Payment upon Termination.**

Upon termination of this Agreement pursuant to Section 7 hereof due to an uncured default by the City, the City hereby agrees to refund all unexpended, unappropriated monies previously paid by the District to the City pursuant to this Agreement. If at the time of termination the District owes the City monies, the District shall remit to the City the appropriate amount computed as of the effective date of the termination.

Upon termination of this Agreement pursuant to Section 7 hereof due to an uncured default by the District, the District hereby agrees to pay the total amount committed in Section 5 hereof on or before the effective date of the termination.

**Section 10. Parties in Interest.**

This contract shall bind and benefit the City and the District and shall not bestow any rights upon any third parties.

**Section 11. Non-waiver.**

Failure of either party hereto to insist on the strict performance of any of the agreements herein or to exercise any rights or remedies accruing thereunder upon default or failure of performance shall not be considered a waiver of the right to insist on and to enforce, by an appropriate remedy, strict compliance with any other obligation hereunder or to exercise any right or remedy occurring as a result of any future default or failure of performance.

**Section 12. Compliance with Applicable Laws.**

The parties hereto shall comply with all rules, regulations, and laws of the United States of America, the State of Texas, and all laws, regulations, and ordinances of the City of Baytown as they now exist or may hereafter be enacted or amended.

**Section 13. Choice of Law; Venue.**

This contract is subject to and shall be construed in accordance with the laws of the State of Texas, the laws of the federal government of the United States of America and all rules and regulations of any regulatory body or officer having jurisdiction. This contract is performable in Harris County, Texas.

**Section 14. Notices.**

All notices required or permitted hereunder shall be in writing and shall be deemed delivered when actually received or, if earlier, on the third day following deposit in a United States Postal Service post office or receptacle with proper postage affixed (certified mail, return receipt requested) addressed to the respective other party at the address described below or at such other address as the receiving party may have theretofore prescribed by notice to the sending party:

District  
Baytown Municipal Development District  
Attn: President, Board of Directors  
P.O. Box 424  
Baytown, Texas 77522-0424  
Fax: (281) 420-6586

City  
City of Baytown  
Attn: City Manager  
P.O. Box 424  
Baytown, Texas 77522-0424  
Fax: (281) 420-6586

**Section 15. Audits.**

The City and the District may, at any reasonable time, conduct or cause to be conducted an audit of the other parties' records and financial transactions. The cost of said audit will be borne by the entity requesting the audit. The City and the District shall make available all of its records in support of the audit.

**Section 16. Ambiguities.**

In the event of any ambiguity in any of the terms of this contract, it shall not be construed for or against any party hereto on the basis that such party did or did not author the same.

**Section 17. Captions.**

The captions of the sections and subsections, if any, of this Agreement are for convenience and ease of reference only and do not define, limit, augment or describe the scope, content or intent of this Agreement or of any part or parts of this Agreement.

**Section 18. Entire Agreement.**

This Agreement contains all the agreements of the parties relating to the subject matter hereof and is the full and final expression of the agreement between the parties. Any oral representations or modifications concerning this instrument are of no force or effect excepting a subsequent modification in writing signed by all the parties hereto.

**Section 19. Assignment or Transfer of Rights or Obligations.**

The City shall not sell, assign, or transfer any of its rights or obligations under this Agreement in whole or in part without prior written consent of the District.

**Section 20. Severability.**

All parties agree that should any provision of this Agreement be determined to be invalid or unenforceable, such determination shall not affect any other term of this Agreement, which shall continue in full force and effect.

**Section 21. Authority.**

The officers executing this Agreement on behalf of the parties hereby represent that such officers have full authority to execute this Agreement and to bind the party he/she represents.

IN WITNESS WHEREOF, the parties have made and executed this contract in multiple copies, each of which shall be an original.

**CITY OF BAYTOWN**

**BAYTOWN MUNICIPAL  
DEVELOPMENT DISTRICT**

\_\_\_\_\_  
GARRISON C. BRUMBACK  
City Manager

\_\_\_\_\_  
STEPHEN H. DONCARLOS  
President

ATTEST:

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LORRI COODY  
City Clerk

APPROVED AS TO FORM:

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IGNACIO RAMIREZ, SR.  
City Attorney

ATTEST:

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LORRI COODY  
Assistant Secretary

APPROVED AS TO FORM:

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IGNACIO RAMIREZ, SR.  
General Counsel

**MDD-1066**

**3.a.**

**Monthly Sales Tax Report**

**MDD Regular Agenda**

**Date:** 01/03/2008

**Submitted By:** Leticia Garza, City Clerk's Office

**Presenter:**

**Department:** City Clerk's Office

**Agenda Area:** Manager's Report

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**Information**

**Item**

Receive monthly Sales Tax Report.

**Preface**

**Recommendation**

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**Fiscal Impact**

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**Attachments**

Link: [Monthly Sales Tax Report for MDD](#)

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**City of Baytown**  
**Municipal Development District (MDD)**  
**Sales Tax Collections**  
(ccredited to the month in which the tax is paid by the customer rather than the month received by the MDD)

<b>Earned/Received</b>	<b>2005 Actual</b>	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Actual</b>	<b>\$ Variance</b>	<b>% Variance</b>
October/December	\$ 224,560	\$ 282,567	\$ 267,880	\$ 340,293	\$ 72,413	27.03%
November/January	241,047	279,426	303,819			
December/February	402,610	459,781	446,429			
January/March	231,984	258,739	327,666			
February/April	251,181	259,012	281,526			
March/May	365,065	379,840	409,201			
April/June	269,885	289,415	308,968			
May/July	237,527	207,739	351,186			
June/August	336,882	356,427	429,261			
July/September	249,426	265,813	327,543			
August/October	239,975	281,266	311,079			
September/November	319,899	357,317	434,332			
	<u>\$ 3,370,042</u>	<u>\$ 3,677,341</u>	<u>\$ 4,198,890</u>	<u>\$ 340,293</u>	<u>\$ 72,413</u>	
<b>YTD</b>	\$ 224,560	\$ 282,567	\$ 267,880	\$ 340,293	\$ 72,413	27.03%
<b>Budget</b>	\$ 2,977,000	\$ 3,283,000	\$ 3,547,000	\$ 4,001,400		
<b>% Collected</b>	8%	9%	8%	9%		