

**MINUTES
CITY OF HITCHCOCK
TAX INCREMENT REINVESTMENT ZONE (TIRZ) ONE
HITCHCOCK CITY HALL
7423 Highway 6
Hitchcock, Texas 77563
June 24, 2022
9:00 A.M.**

1. Meeting was called to order at 9:00am by Chairperson Lynn Watkins.

2. Introduction of Board of Director Members.

Members Present: Chairperson Lynn Watkins, Joe Giusti, James Niederle, Kathy Marullo, and Chris Armacost

Others Present: Cameron Thatcher, John Howell, Tanya Fisher, Kyle Dickson, Marie Gelles, Ruth Ann Sorrell, Tyler Robert, and Stacey Baker.

Members Absent: Cheryl Johnson and Elizabeth Shields

3. Election of Officers.

Chris Armacost made a motion to appoint Kathy Marullo as Vice-Chairperson. Joe Giusti seconded the motion. Motion passed 5-0.

Joe Giusti made a motion to appoint James Neiderle as Secretary. Chris Armacost seconded the motion. Motion passed 5-0.

4. Review and approval of minutes for November 28, 2018 Board of Directors meeting.

James Niederle made a motion to approve the minutes for November 28, 2018 Board of Directors meeting. Joe Giusti seconded the motion. Motion passed 5-0.

5. Discussion and appropriate action regarding reapproval of a G-23 Engagement Letter with GMS Group as Financial Advisor for the Tax Increment Reinvestment Zone (TIRZ).

John Howell explained that there is new legislation that requires a Financial Advisor for the purpose of issuing securities. John Howell stated that he would be the advisor and would not be a lender as that would be a conflict of interest.

James Niederle asked if John Howell was going to be the Financial Advisor and the Placement Agent. John Howell stated he would be the advisor and they he will send out around 12 bid packets for the transaction.

James Niederle said that sending out the bid packets is the job of the Placement Agent.

Discussion was had regarding the role of the Placement Agent and who would fill that role.

Chairperson Lynn Watkins made a motion to approve the G-23 Engagement letter as submitted with the addition of a Placement Agent. James Neiderle seconded the motion.

Discussion was continued regarding Financial Advisors and the requirement for a Placement Agent. John Howell stated he will act as Placement Advisor and would charge a 1% fee for that service and Cameron Thatcher would be the Financial Advisor.

Chairperson Lynn Watkins made a motion to modify his original motion to include a 1% fee to John Howell as Placement Agent. James Neiderle seconded the motion. Motion passed 5-0.

6. Discussion regarding background information as to the reason for the proposed bond financing. (GMS/Huntington Securities, Inc.)

John Howell presented a bond terms sheet. He believes if the bonds were issued today that the interest rates would be between 3.75% and 4%. He explained that the market has been volatile. He believes bids could be received by the 19th of July and this item could be placed on the August 1, 2022 City Council Meeting and could close by August 31, 2022. John Howell advised to add wording that no other bonds would be pursued during the terms of this transaction in order to make this more attractive to bidders. John Howell explained the bid process and the documents he will include.

Cameron Thatcher advised having a 1.25 times debt service reserve fund.

7. Discussion and appropriate action regarding the draft term sheet for Series 2022 Bonds and authoring GMS to solicit proposals from potential lenders for Series 2022 Bonds.

James Neiderle made a motion to approve the draft term sheet for Series 2022 Bonds and authoring GMS to solicit proposals from potential lenders for Series 2022 Bonds understanding there may be changes to the draft. Chris Armacost seconded the motion. Motion passed 5-0.

8. Next meeting scheduled for August 1, 2022 at 5:00pm.

9. Meeting was adjourned at 9:48 by Chairperson Lynn Watkins.



Ruth Ann Sorrell
Ruth Ann Sorrell, City Secretary



James Neiderle
James Neiderle, Board Secretary