AGENDA
2014 BOND OVERSIGHT COMMITTEE
May 15, 2019
Meeting Minutes

After determining that a quorum is present, the 2014 Bond Oversight Committee of the City of Denton, Texas, will convened in a regular meeting on May 15, 2019, at 11:30 a.m., in the City Council Work Session Room, at City Hall, 215 E. McKinney Street, Denton, Texas at which time the following items will be considered:

PRESENT: Committee Chair, Randy Robinson, Tim Crouch, and Janet Shelton.

STAFF PRESENT: Todd Hileman, City Manager, Chief Financial Officer, Antonio Puente, Jr., David Gaines, Director of Finance, Kevin Ann Mullen, Treasury Manager, Nancy Towle, Budget Director, Gary Packan, Director of Parks and Recreation, Laura Behrens, Assistant Director, Parks and Recreation, Heather Gray, Parks Business Manager, Todd Estes, Director of Capital Projects/City Engineer, Daniel Kremer, Deputy Director of Operations in Engineering Hailey Payne, Treasury Analyst, and Theresa Jaworski, Executive Assistant.

OPEN MEETING:

Randy Robinson, Committee Chair brought the meeting to order at 11:37 a.m.

The following items were discussed:

1. **Consider approval of 2014 Bond Oversight Committee minutes of February 20, 2019.**

   Committee Member Tim Crouch made a motion to approve the minutes from the February 20, 2019, 2014 Bond Oversight Committee Meeting and was followed by a second from Committee Member Janet Shelton. Motion was approved unanimously.

2. **Receive a report and hold a discussion, and give staff direction regarding General Obligation (GO) funded capital projects.**

   David Gaines, Director of Finance, introduced the item explaining the purpose of the item was to review the current status of voter approved General Obligation (GO) funded capital projects, discuss the current allocation of project funds, and provide estimated completion costs for projects with the narrative in the agenda information sheet, then asked for any questions from the Committee

   Tony Puente, Chief Financial Officer, added that there is no action for this item, just an update for the Committee.

   A short discussion followed on the future funding information, all that is included and the future issuance.
3. Receive a report and hold a discussion regarding the street construction quality in the City of Denton and results of the pavement failures study.

Daniel Kremer, Deputy Director of Operations for Engineering, gave an update on the 2012-2014 Bond Program that identified 403 segments (121 lane miles) as the focus for reconstruction activities. The inspection results, maintenance performed and upcoming maintenance was shared with the Committee.

Additionally, the presentation made to the City Council on a pavement failures study in March 2019 was shared with the Committee.

The Committee discussed the effects of weather on the pavement and remedies used to address those issues, cost and time for repairs on concrete and asphalt, the Hampton Road/Ranch Estates, the factors that play into problems in those areas with the remedies, and cost of repairing and maintaining the streets.

4. Receive a report and hold a discussion regarding the City of Denton’s Community Rating System (CRS) classification increase from class 6 to class 8 and the impact to current 2012/2014 General Obligation Bond projects.

Estes explained that the presentation on the Community Rating System (CRS) recently given to the City Council in Work Session was included in the agenda backup for the Committee’s review. He summarized the City’s participation in the Community Rating System their programs, state law requirements, risks, goals, and opportunities to earn discounts for flood insurance premiums.

Estes continued The City must commit to certain activities related to flood protection and prevention. Some activities are mandatory, however, many activities are voluntary. A community has flexibility in choosing activities it commits to and how it runs its flood program. As part of the CRS program, it is required that a community verifies that it is performing its chosen activities once every five years by providing detailed information about those activities. Once the verification is complete, the community is rated on how well it is performing its activities; this results in a community’s CRS classification that determines flood insurance premium discounts by the federal government.

The City maintained at a CRS rating of 8, until 2011 when it was rated at 6. Every five years, FEMA performs an audit to see the practices, and documentation to be sure the City complies with the program. There are different levels that allow you to attain a better rating. Should there be a rating of Class 6, there would be a higher discount. If it drops to Class 8, 9 or 10, it rotates down to a lower discount. The information is where the authority originated or the State and legislature to be put in what position and how the Community Rating System Classification change impact.

The City of Denton’s most recent CRS verification began in June 2016 and was completed September 2018; it resulted in a Class 8 rating, a reduction in classification from the previous rating of Class 6. The reduction resulted in lesser discounts for flood insurance premiums within the City.
The City will be eligible to improve its CRS classification in September 2019, when staff will submit documentation to CRS program administrators showing improvement for several activities intended to improve rating to a Class 6 or better.

Estes shared the information on floodplain and flood zones and the chances of a flood that would impact and inundate an area. It is imperative to keep floodway areas as clear as possible. Managing the development and redevelopment to ensure the safety of people, floodplains and floodways clear.

Estes went over the CRS Classification Impact and a discussion followed on changes since 2011, and the plan to get the classification back with one person dedicated to focus on drainage, the need for a CIP project for areas that need improvement and an overall master storm water plan.

A discussion followed on the City’s growth, the 2014 Bond package that included drainage improvement, and impacts on future bond programs.

5. **Under Section 551.042 of the Texas Open Meeting Act, respond to inquiries from the 2014 Bond Oversight Committee or the public with specific factual information or recitation of policy, or accept a proposal to place the matter on the agenda for an upcoming meeting.**

Robinson asked for any discussion on this item.

With the Committee’s agreement, Puente set the August 14, 2019 date for the next meeting.

Janet Sheldon moved to adjourn the meeting with a second from Tim Crouch. Motion carried unanimously. Meeting adjourned at 12:35 p.m.

The 2014 Bond Oversight Committee approved the May 15, 2019, Meeting Minutes on August 14, 2019.

TIM CROUCH
ACTING COMMITTEE CHAIR
CITY OF DENTON, TEXAS

THERESA JAWORSKI
RECORDING SECRETARY
CITY OF DENTON, TEXAS