

**Waller Creek Local Government Corporation
July 11, 2011 Meeting Minutes**

Item 1 – call to order

Meeting called to order at 9:08 a.m. – initial meeting of Corporation

Roll called: Melanie Barns absent, Leslie Browder present, Tom Meredith present, Sue Edwards present, Melba Whatley present
- Quorum was confirmed

Item 2 – Elect Officers

First item is to elect officers. Sue Edwards said nominations were open for President. Melba Whatley nominated Sue Edwards as President and Leslie Browder second on a vote of 4-0. Nominations opened for Vice President and Melba Whatley nominated Leslie Browder with Sue Edwards second on a vote of 4-0. Sue nominated Melba Whatley as Secretary and Leslie Browder second on a vote of 4-0. Sue Edwards suggested reconsideration of the Vice President nominee and nominated Tom Meredith as Vice President Sue motioned with Melba Whatley second on a vote of 4-0. Sue Edwards nominated Leslie Browder as Secretary and Tom Meredith second on a vote of 4-0.

Item 3 – Approve Articles of Incorporation and Bylaws

David Dawson said articles basically the articles and bylaws were formed using language from the Mueller LGC articles and bylaws with the inclusion of appropriate references to the purposes of this particular corporation. Jacqueline Cullom said they were approved by Council on April 28th, 2011 and filed with the Secretary of States Office the Friday before meeting. David Dawson said they have been filed and accepted so what the LGC is doing is proving and ratifying what the incorporators; effectively what Winstead filed on Friday on behalf of the incorporators of the corporation the incorporators being Melba Whatley, Tom Meredith and Sue Edwards.

Motion to approve, Melba Whatley moved to approve and Leslie Browder second with a vote of 4-0.

Item 4 – Authorize the Establishment of Banking Arrangements

Sue Edwards said that the next item for consideration is the establishment of banking arrangements. Leslie Browder said after all the discussion in an informal meeting she felt she had muddied the water when she suggested an alternative where LGC did the majority of the banking but rethought and thought the \$400K should go into one account and than the City cut a check to the conservancy that they could put in their 501c3. and than administer from there and she thought in reading the MOU at some point.... or Jacqueline told me that when we do the Project Development Agreement that we can flush out roles and responsibilities a little bit more on the funding side. Leslie asked Jacqueline if that was what you were telling me, I've got notes from our discussion here. Jacqueline said the Joint Development Agreement which is the agreement which will happen down

the road will define the roles between the Conservancy and the LGC but the MOU already states that the COA will contribute up to \$400K currently. What we were talking about though, the discussions we were having was related to audit provisions and recording. Jackie said yes you expressed concern about that and David we talked about what is the other agreement called? Isn't it the Design Competition Agreement? David answered that yes it was the Design Competition Agreement and included that he will put those audit and reporting requirements in there and make sure they are strong for you. Jacqueline said but I do believe it was our intent, the City's intent and Council's intent when we approved the MOU that we were, the Council was authorizing a contribution of \$400K at this point. Leslie Browder said yes she was not questioning that. Sue Edwards said so than it is my understanding Leslie that you will than write the check (Leslie said yes) does it go through, how does that process happen? Leslie Browder said the COA will write a check payable to the LGC and the Corporation will open a bank account and deposit the check and the LGC will write the 501c3 a check and Leslie went on to say it was kind of the second option that you summarized and than there would be reporting on what was being spent and what you spent it for that kind of thing.

Melba Whatley asked than on the reporting part of it we want to be really clear that we are doing exactly what you want us to do so can you tell us now or later how to do this is there some type of form? Leslie Browder said yes we will put that down in writing and Melba Whatley said she would give it to their CPA to look at because they get very anxious about these matters and he wants to do it right. Tom Meredith agreed saying he understood because he knows another person who gets an anxious about these matters. Melba Whatley said she knows and that she feels a lot of responsibility and Tom Meredith said yes and he thinks the audit and reporting should be in writing.

Melba Whatley said just tell them what to do and they can produce income statements and all of those things they just need to know. Sue Edwards asked if we need action on that and David Dawson said well if you look at agenda item five and Sue Edwards agreed saying some of these don't look like they need... and David Dawson intervened saying well we are kind of jumping ahead to agenda item #8 and Leslie Browder said well or item #4 authorizing establishment is this just authorizing the need to set up an account at the Bank of America? David Dawson said well why don't we go ahead and dispose of that and than we can talk about the bigger issues. David said yes the Conservancy has its own bank account the LGC ought to have its own bank account if you are going to write one check and than it's going to sit for a year. Now one of the ways we could do it is to have the COA just cut the check to the Conservancy but here is the reason why not, well there is several reasons why not one is the MOU provides that it goes to the LGC the other reason is from a separatist issue we want to keep the LGC as its own entity. Sue Edwards said right and if we don't do that David than it ends up that they are subject to our MBE/WBE clauses so it has to go through the LGC that is the only reason we set up the LGC to keep it

separate so they are not subject to all of the City's procurement requirements. Jacqueline Cullom said she also thought it might be helpful to take action on item 4 to include a motion to authorize Leslie Browder to set up a separate bank account. Tom Meredith moved Melba Whatley second on a vote of 4-0.

Item 5 Discuss and/or Authorize the Establishment of Management and Administration Roles and Responsibilities for Funding of Projects Related to Waller Creek.

Jacqueline Cullom asked David Dawson what he was thinking and he said well we don't have any projects yet to fund so this is a somewhat theoretical conversation but I think it is good to kind of figure out where we are headed so that when we get there in about a year and make sure we are still on the same page. So we are going to go through a design process for the next year which the COA will contribute \$400K and the Conservancy is going to contribute the rest and Melba Whatley said yes and David Dawson said what looks like to be a substantial amount of money, certainly \$400K but well in excess of \$400K so we will go through that process for the next year.

When we come out of that process and know what the design is than we can draft a Project Development Agreement. If you look on the chart on the far left you will see the Project Development Agreement and that agreement is where we will flush out all of the appropriate responsibilities of the Conservancy and the responsibilities of the City and the LGC and as we talked about in the initial meeting back in November at Winstead, there are some types of projects are most appropriate for the City and the Conservancy to handle. There are bridge modifications for street work for example. That is not what the Conservancy was set up to do, that is a proper LGC or City function, particularly depending on the funding sources. But in terms of the public space as we will define it the operations, maintenance and administration of that public space, of that park space will be the primary function of the Conservancy; that is the whole point of this. So we have to see what our design looks like see what we are actually going to do and than we can flush out that Project Development Agreement that will be a substantial agreement but it is way premature to do that. Sue Edwards agreed. David asked if everyone was ok with Item #5 in terms of what I said in terms of management and responsibility and all said yes. Some asked if they wanted it executed and everyone said yes; document was signed by Tom Meredith and Sue Edwards.

Item #6 – Authorize the Procurement of Insurance for the Corporation and its Officers and Directors

Jacqueline Cullom said she has a report on item 6 Sue Edwards said ok. Jackie said she spoke with Carol Vance who is the City's insurance person and she offered to assist us and said she understands from David Dawson that Mr. Meredith may have already gone through a quote phase with some other companies but she thinks it is really important and Carol agreed that the board have some type of DNO protection so we are ready to vote on that today aren't

we? David Dawson said no that instead of voting his recommendation would be to delegate responsibility perhaps to Tom Meredith and the legal team to work with Carol Vance on behalf of the City and Tom Meredith on behalf of the Conservancy to procure the most cost effective DNO insurance. Tom Meredith said what we could do is come back with a recommendation to the board and go through the process. David Dawson and Melba Whatley agreed. Sue Edwards said so Tom Meredith and Carol Vance will be working together to come up with insurance appropriate for the LGC and bring it back to the board for a vote.

Item 7 – Discuss Role and Responsibilities of Legal Counsel for the Corporation

Sue Edwards said ok well legal terms for the Corporation. David said yes this is an interesting one and that the Waller Creek LGC really is a partnership, it is different than some other LGCs that the City has because we've got private citizens sitting on that board and its intended from a strategic perspective to be the joint venture entity through which decisions are made. So Winstead serves as counsel to the Conservancy and Jacqueline serves as counsel to the City and we are both here and the objective I think from Jacqueline and our prospective was from a cost perspective is try to have Jacqueline handle as many of the tasks from a legal administration perspective for the Waller LGC as possible to cut down on legal fees.

But where Winstead's expertise could be particularly helpful is in terms when we really do get into negotiations with construction contracts, design built contracts those types of things. Michelle Reeger (sp?) from our office will offer a particular and has done a lot of work in that area. We serve as counsel to SW Airlines on the 500 million dollar Love Field renovation which is an LGC structure and so for those types of things using Michelle's expertise would be particularly helpful and of course I worked a lot on 431 entities and looking at the exceptions that are appropriate under 101 of that Act so we deal a lot with that. So Winstead's role would be for those types of activities but the day to day administration would be handled by Jacqueline.

Jacqueline Cullom said she could build on that and that David Dawson and she worked very well together and even though he is in private practice he understands how government operates so it is the City attorney's office viewpoint that anytime we have a City entity that we provide general counsel support. Jaqueline said what she would recommend is that they get some type of outside counsel agreement and articulate what David Dawson will be helping with and have Karen Kinard sign off on that and it does not require Council action and she can do that and is happy to do that. Sue Edwards said one of the things also that she would like to do is to call in any of the other City attorneys that work on land development because they work with them on a regular basis and it is the same thing as being specialized in different areas so what I would like to do is confer with Karen and see who she would like to also include if we are going to have that type of agreement. It was confirmed that the City be the holder of

original documents and Sue Edwards said and when we do that we want to make sure everyone has a copy of the documents with Mona Sanchez handling distribution.

David Dawson said In terms of roles and responsibilities today between now and when we complete the design process and City Council and the Conservancy jointly select a winning design I frankly don't envision this board needing to meet again. Everything will be delegated to the LGC and will be periodically reporting so we are proposing to meet on a quarterly basis as provided for in the MOU and I've also provided for it in the Design Administration Agreement but really the conservancy will manage that process as it has been doing and report back regularly and than once we start to get designs and information to provide to the public the Conservancy will work with the City for example to provide public access to that etc. I suppose the need for the LGC to meet to coordinate those types of activities but really the bulk of the work is going to be at the Conservancy level.

Melba Whatley said in the reporting Leslie that you are going to outline for us there is all the financial part and kind of the narrative of what is actually happening and I assume in that respect in which we would include for, it would include not just money but action. David Dawson said all of these are kind of mixed together but this document is the Design Competition Management Agreement and really it is a two sentence agreement which says that the LGC will contribute the \$400K and otherwise do what its suppose to do under the MOU and that the Conservancy will manage the administration of the design competition process and otherwise do what its suppose to do under the MOU. The MOU already contains detailed audit and reporting requirements including the establishment of a website so I simply referred back to the MOU thinking there was no reason to repeat what has been already agreed to. The one sentence I did add and we probably ought to talk about it to make sure it is capturing the reporting requirements that you want to see Leslie is that second sentence there under number one says the Conservancy will provide to the LGC on a quarterly basis is a summary of the Conservancy's activities and expenditures. Leslie Browder said yes and that is probably it. Tom Meredith said when we talked about it about monthly or quarterly and you said you might be fine with quarterly and Leslie Browder said she was ok with that. Melba Whatley said she would send Leslie a report immediately which would bring them up to date and than they will start sending on a quarterly basis.

Jacqueline Cullom said what David Dawson had handed out actually relates to agenda item #8 which will need a motion to approve. Sue Edwards motioned and Tom Meredith second on a vote of 4-0.

Item 9 – Receive a Report Regarding the Status of the Design Competition Process for Waller Creek from Representatives of the Waller Creek Conservancy.

Sue Edwards asked when you say we receive this report is it a one time David or an ongoing? David Dawson said he meant an oral report just an update and it would be ongoing. Melba Whatley said the Conservancy is scheduled to announce the competition in September and that Don Stassney the competition manager will be here in August and again in September for the announcement and he is in the process with the City of forming an advisory group but I don't really know the status of where that is.

Sue Edwards said actually George Adams sent her a list that she was reviewing. Melba Whatley said that is fine they just want to make sure the City is happy with the way the process is going. What Sue Edwards did tell Don Stassney was that we normally work in that way anyway so it makes it really easy for us because we have big projects like that put together a technical advisory team so we have done that on every project that we have had public private partnerships; we did it with Mueller and Seaholm, we will do it with Green so it's pretty natural for us to work with people from different departments who have the expertise so we will know beforehand if we are going to run into any problems and that they can get them resolved quickly. Fred Evins who is sitting over here, Fred has acted really as a project sponsor going through the process and if there were any problems on any of the projects we have one person to go to and so George Adams and Fred will work together so when we move through the process that if there are any things that need to be attended to that we can take care of that and run interference with other departments; there is no sense in getting hung up worrying over something. We did that on F1 also we had a big team to make sure everything was going smoothly on the permitting side.

Melba Whatley said they have the website up and functioning and they will have five additional website narratives that will keep the website updated as we move through the competition. It's both for the purposes of keeping it live but more important for the competitors to know the website to see that they can register by the website. There has been a shift in that process in the last year or 36 months and most people now are going through the digital process. And we will of course use it for revealing what is happening internally to the whirl. We will start to be thinking about venues for showing various work and hope City Hall will be one of those and some others spaces that I may talk with you about. We have had some ideas and we need to start pinning that down. We have determined that we will have 5 jurors and they will represent landscape architecture, urban planning, economic design and restoration ecology. We thought that helped combine the various areas that we will be dealing with and some of the people they are talking about are so prominent that some of the people in the governance group which we three are members and Fritz Steiner the Dean of UT Architectural School, Whitty Green a member of our board and Sara Hensley serving on the governance group and when we met we received wonderful

names put forth from the professionals for people who should be considered as jurors. The jurors will be announced early about the same time as the competition is announced. So I think that gives you an idea of what is going on with the competition. We will be fundraising and finishing up the board competition for the big announcement in September. Do you have any questions and you know you can always call me. A contact list of board members was distributed.

Melba Whatley said she might add that there is one competing international competition and it is with the national park service and Don Stassney is working on that too but doesn't think there will be any conflict on timing.

Meeting Adjourned 9:36 a.m.

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