

August 20, 2024

Hawk Cove City Council Meeting
USDA Teleconference

Rebecca Bernardi, Place 1. At this time, I would like to read off a short Hawk Cove Historical Report, in which all documents from this report were given to Mayor Spence, who gave to you, the USDA and Attorney Hodges for review. These historicals were part of a discovery and research from 4 & 5 years ago, as I was one of the City's Representatives to the USDA, via resolution. I ask that you would please give your feedback for those in attendance that may not be aware and for the record. Thank you

Prepared by
Rebecca Bernardi, Place 1
City of Hawk Cove

USDA Documents - Given to Mayor Spence - July 2024
Given Publicly to City Administration August 20, 2024

- Email 10/29/19 Angela Richardson, USDA, McKinney Office, to Patricia Pendergraft and Mayor Darren Evans requesting when the USDA should receive the completed OPS plan, along with the remaining itemized financials, sewer operator contract, rate schedule, bank accounts for the quarter, other sewer maintenance employees salaries.
- Email 11/5/19 Patricia's, City Secretary, email acting as Darren Evans on her email address, stating the OPS plan would be submitted the week of 12/9/19.
- Email 1/7/2020 Angela Richardson, on email chain, asking again from Darren Evans when they can expect to receive the OPS plan.
- Email 1/24/2020 Jamie Baker, Congressman Ratcliff's office, email chain, asking for an update on the OPS plan.
- Email 4/27/2020 Michael Canales, USDA Temple, Office, email chain, to Mayor Evans, requesting the OPS plan they never received NOR, ANY of what the USDA requested. All DUE Dec 2019 now, Apr 27, 2020. DEADLINE TO RECEIVE GIVEN 5/27/2020, SIGNED OFF BY EDD HARGETT, STATE DIRECTOR OF THE USDA, Copied to McKinney Office Richardson and Lambright, Canales Temple State Office, City of Hawk Cove, and Jamie Baker of Congressman Ratcliff's office
- City of Hawk Cove, Resolution 2020-003 Designating City Representatives to Negotiate with the USDA Regarding City's Outstanding Debt. At time of Resolution creation, standing representatives were Mayor Darren Evans, Rebecca Bernardi, MPT, and Rhonda McKeehan, City Admin. After Nov 2020 Election, Mayor Delores Spence, Rebecca Bernardi, MPT, and Rhonda McKeehan, City Manager.
- Email 3/5/21, Daniel Torres, Acting State Director, USDA email chain, to PREVIOUS MAYOR DARREN EVANS. City Administration did NOT notify the USDA of Mayor Spence as current Mayor. Nor, was David Ritter, City Attorney. 4th NOTICE asking for OPS Plan, Financials, Bank Statements, Tax and Sewer Rates, Sewer Operator and Maintenance employees.
- Email 3/10/21 from MPT Bernardi, to Rhonda McKeehan, and Patricia Pendergraft, notifying them that she had created a response to the USDA, due to their refusal to update the USDA nor, Mayor Spence of the default status with the USDA. I SPECIFICALLY TOLD THEM I DID NOT WANT THE LOAN TO ACCELERATE. I asked them if they had anything to add. McKeehan told me NOT to contact the USDA and that she was going to contact Darren Evans, and she and Pendergraft would contact the USDA. The USDA Deadline was 3/22/21
- Email 3/18/21 from Patricia Pendergraft, to USDA Temple office, Jerry Moore, Darren Evans, Rhonda McKeehan, and Becky Bernardi ONLY. A simple received message and reviewing correspondences.
- Email 9/30/21 from Jerry Moore, USDA, to McKeehan, Evans, Bernardi, and Pendergraft. AGAIN MAYOR SPENCE WAS NOT ON THE EMAIL CHAIN nor, CITY ATTORNEY DAVID RITTER. This was the NOTICE OF DEFAULT dated 9/7/21 that was sent out CERTIFIED MAIL that MAYOR SPENCE DID NOT RECEIVE! THE FINAL DATE FOR ACTION 90 DAYS TO PAY THE DELINQUENT AMOUNT OF \$661,828.66
- Email 10/11/2021 from MPT Bernardi to David Ritter, notifying him that the transcript that he received from Bernardi was found in a tote out in the shed and the details of that finding and who was there.
- Email 10/13/2021 from MPT Bernardi to David Ritter, Attorney, notifying him of the return of a couple of USDA documents that were in preparation prior to David Ritter taking over the USDA case due to official notice of default. Details of the case preparation, failures of follow through with Mayor Evans and failure of City Administration to contact USDA regarding, Mayor Delores Spence as, active elected Mayor, and Certified mail not being given to Mayor Spence.
- Email 10/14/2021 email RESPONSES from David Ritter, regarding 10/13/2021 email. Notice was made of the City's failure to comply with the USDA, failure to notify Mayor Spence, and failure to notify him, as the attorney.
- Letter from Brown and Hofmeister, David Ritter, Attorney to Daniel Torres, Acting State Director, action plan. Notified Mayor, Council, and Administration 10/21/21

**USDA Documents
Given to Mayor Spence
Who Gave to USDA Special Asset Unit &
to Attorney, Ronna Hodges - July 2024
Publicly Stated by Bernardi for USDA Feedback
August 20, 2024**

HISTORICALS

- 1998 Robert Brown, partner, attorney with Vial, Hamilton, Koch, & Knox, LLP, to the City, giving instruction and Texas Local Government Code requirements for Type B and Type A cities.
- 4/13/2000 Ordinance 100-5 City of Hawk Cove, on their own discretion to change to a type A city without meeting Texas Local Government Code requirements.
- 2000 US Census, showing Hawk Cove sitting at 457 in population NOT 600 and had only grown by 20 people from the previous year as a Type B at 437.
- 2020 US Census, showing Hawk Cove sitting less than 5 people shy at 452 from 457 back in 2000!
- Daniel & Brown, Engineering and Consultants, 10/14/2003 to the TCEQ DISCHARGE PERMIT, providing FALSE POPULATION numbers, from 457 in 2000 to 700 in 2002. THIS ALSO PROVES THAT HAWK COVE DID NOT MEET TLGC REQUIREMENTS TO BE A TYPE A IN 2000 STATING ONLY 457 BY DBI and concurred with US Census. This report to the TCEQ also states that Hawk Cove numbers were not used but, Quinlan's and gives a projection by DBI of where the population of Hawk Cove is to increase to, (which are ALL false).
- 2003 INCOME SURVEY SIGNED OFF BY MAYOR AVA HAVENS, notifying residents of the USDA loan and grant Funds the city was trying to obtain. HAD the USDA paid attention to these income numbers and the US Census this loan would have been prepared much differently due to the city being in the FEDERAL POVERTY LEVEL. The interest rate and terms of the loan should have been MUCH, MUCH less. Also, the construction of the sewer plant should have been much, much smaller therefore, cost much less! It is documented by state engineer, Dagmar Babcock, Oct 2019, that the plant is oversized for Hawk Cove's population that did not meet DBI projections.
- 2003 USDA Letter, from Allen Lambright, to Mayor Havens, with itemized detail of what is required for the loan. Item #6 specifies a copy of the City's water purchase contract. Therefore, it appears and is so, that the City does not own it's own water plant but, purchases from Combine Consumer.