

**LORENA TIRZ #1 EAST
REGULAR MEETING OF THE BOARD OF DIRECTORS
TUESDAY, SEPTEMBER 6, 2016, AT 6:30 P.M.
LORENA CITY HALL
107-A S. Frontage Rd.
Lorena, Texas 76655**

MINUTES

Call to Order and Verification of Agenda Posting

The meeting was called to order at 6:35 pm and Chairman Coleman noted that the meeting was posted in accordance with the requirements of the Texas Open Meetings Act and a quorum was present. Members Present: Bill Coleman, Chuck Roper, J Fagner, David Anderton, William Callan, and Kelly Snell; Members Not Present: John Johnston; Also Present: Gary Tully (TIRZ land owner), Nancy Callan and Frances Callan (TIRZ land owners), Joe Pace (City Manager), Jason Mundo (TIRZ Administration and Program Management Consultants); Luke Cochran (TIRZ legal counsel),

1. Discussion and possible action to approve Lorena TIRZ #1 East Meeting Minutes – August 1, 2016

Kelly Snell moved to approve the minutes of August 1, 2016. J Fagner seconded the motion. The motion was unanimously approved.

2. Discussion and possible action to approve Lorena TIRZ #1 East Financial Reports and bill payments.

The Board reviewed the updated TIRZ Financial Report, the TIRZ Administration invoice and phone log from Mundo and Associates, Inc. David Anderton moved to approve the financial reports and bill payments. J Fagner seconded the motion. The motion was unanimously approved.

3. Discussion and recommendations on the following:

3A) Path Forward Document

3B) Funding of TIRZ costs;

3C) TIRZ Virtual Checkbook Document; and

3D) Developer Agreements

Consultant Jason Mundo discussed with the Board the updated Path Forward document with the Board which lists the calendar path of actions to take that lead to the funding, design, and

construction of the Sanitary Sewer Trunk Line. The Board discussed the funding of TIRZ costs through Certificates of Obligation in the amount of \$2.3 Million and reviewed the respective debt schedule provided by bond advisor Jason Hughes of FirstSouthwest. Mr. Mundo discussed with the Board the cashflow analysis for the remainder of 2016 through the end of 2024 if the Board were to pursue the Sanitary Sewer Line utilizing the Certificates of Obligation. The Board and land owners reviewed and discussed the developer agreements. No action was taken.

4. EXECUTIVE SESSION – CLOSED SESSION: The Board entered closed session at 7:10 pm.

4A. Pursuant to Texas Government Code Section 551.071 – Consultation with Attorney: The TIRZ #1 East Board shall consult with Legal Counsel in Executive regarding legal issues involving:

- (1) Development Financing Agreement by and between the City of Lorena, Texas, and Lorena Tax Increment Reinvestment Zone #1 East;
- (2) Development Financing Agreement by and among the City of Lorena, Texas, Lorena Tax Increment Reinvestment Zone #1 East, and Lorena Economic Development Corporation;
- (3) Development Financing Agreement by and among the City of Lorena, Texas, Lorena Tax Increment Reinvestment Zone #1 East, and the Mitchell/Tully Group;
- (4) Development Financing Agreement by and among the City of Lorena, Texas, Lorena Tax Increment Reinvestment Zone #1 East, and Braswell Family Enterprises, LTD; and
- (5) Development Financing Agreement by and among the City of Lorena, Texas, Lorena Tax Increment Reinvestment Zone #1 East, and McElla Group, LLC.

5. RECONVENE TO OPEN SESSION: The Board re-entered open session at 8:30 pm. No action was taken.

5A. Discussion and possible action on Development Financing Agreement by and between the City of Lorena, Texas, and Lorena Tax Increment Reinvestment Zone #1 East.

5B. Discussion and possible action on Development Financing Agreement by and among the City of Lorena, Texas, Lorena Tax Increment Reinvestment Zone #1 East, and Lorena Economic Development Corporation.

5C. Discussion and possible action on Development Financing Agreement by and among the City of Lorena, Texas, Lorena Tax Increment Reinvestment Zone #1 East, and the Mitchell/Tully Group.

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5D. Discussion and possible action on Development Financing Agreement by and among the City of Lorena, Texas, Lorena Tax Increment Reinvestment Zone #1 East, and Braswell Family Enterprises, LTD.

5E. Discussion and possible action on Development Financing Agreement by and among the City of Lorena, Texas, Lorena Tax Increment Reinvestment Zone #1 East, and McElla Group, LLC.

The Board continued their discussion of the developer agreements. No action was taken.

6. Discussion and possible action on authorization of Lorena TIRZ #1 East Engineering Scope of Services ES 16 06 06, Phase I Sanitary Sewer Trunk Line Final Engineering, services to be performed by Kasberg, Patrick, and Associates, LP (KPA).

The Board tabled this item until the next meeting. No action was taken.

7. Discussion and possible action on authorization of Lorena TIRZ #1 East Program Management Scope of Services PM 16 06 06, Program Management, services to be performed by Mundo and Associates, Inc.

The Board tabled this item until the next meeting. No action was taken.

8. Discussion and possible action on TIRZ Budget for Fiscal Year 2016-2017

The Board tabled this item until the next meeting. No action was taken.

9. Discussion on TIRZ/McLennan County Precinct 1 Park planning

Consultant Jason Mundo briefly updated the Board on Precinct 1 Park Planning. No action was taken.

10. Discussion on TIRZ Residential Planning

Consultant Jason Mundo briefly updated the Board on TIRZ Residential Planning. No action was taken.

11. Adjournment

The meeting was adjourned at 9:08 pm

If, during the course of the meeting, discussion of any item on the agenda should be held in a closed meeting, the Board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Government Code, Chapter 551, Subchapters D and E. Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meeting. All final votes, actions, or decisions will be taken in open meeting.

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Bill Coleman, Board Chairman, Date

Chuck Roper, Board Secretary, Date