

**LORENA TIRZ #1 EAST
REGULAR MEETING OF THE BOARD OF DIRECTORS
MONDAY, JANUARY 7, 2019, 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 convened at 6:30 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, Kelly Snell, and William Callan. Members Not Present: Chad Hanson and John Johnston. Also Present: Joseph Pace (City Manager), Kevin Neal (Public Works Director) Jason Mundo and Joe Mundo of Mundo and Associates, Inc. (TIRZ Administration and Program Management Consultants), Ginger Tolbert of KPA,

1. Discussion and possible action to approve Lorena TIRZ #1 East Meeting Minutes – December 4, 2018

The Board reviewed the meeting minutes. Chuck Roper moved to approve the Lorena TIRZ #1 East Meeting Minutes – December 4, 2018. J Fagner seconded the motion. The motion was unanimously approved.

2. Update on Path Forward of Lorena TIRZ #1 East.

Mr. Mundo updated the Board on the Administration of Lorena TIRZ #1 East.

Administration Contract:

Preparation for 12/4 TIRZ Meeting. Conduct TIRZ Meeting.

Preparation of TIRZ Annual Report for McLennan County (Requirement of TIRZ Agreement with County).

Coordination with City Financial Officer on Invoices and TIRZ finances.

Coordination with Chairman and legal counsel regarding suggested path forward steps to address annexation and development review issues and move forward with proposed Loera and Mitchell-Tully developments.

Coordination with Chairman on Phase I development commitments and timelines for Mitchell-Tully, Braswell, and McElla.

Lorena TIRZ #1 East
Minutes of Regular Meeting of the Board of Directors
Monday, January 7, 2019

Attended Comptroller TIRZ Presentation at Greater Waco Chamber, representing Lorena TIRZ #1 East, regarding TIRZ regulations.

Began preparing documents for transfer of completed Phase 1 Wastewater System infrastructure to City and to Waco/WMARSS.

Look Ahead Month: 1/01 to 1/31, 2019

Administration Contract (may include but not limited to):

Preparation for 1/7/19 TIRZ Meeting including - Agenda Preparation, Meeting Minutes Preparation, Coordination with Chairman Coleman on Agenda, Preparation of Phase II Project Path Forward, Review and Reconciliation of Invoices, Preparation of Financial Report, Preparation of Cash Flow Report, Preparation of Board Pack, posting of agendas and minutes to website.

Conduct TIRZ Meeting.

Preparation of TIRZ Annual Report for McLennan County (Requirement of TIRZ Agreement with County). Submit completed Annual Report to McLennan County.

Monitoring of Bills of upcoming legislative session for filed bills that would impact Lorena TIRZ #1 East and Tax Increment Financing in the State of Texas. Lobbying of State Legislators as needed.

Any additional coordination with City as needed regarding suggested path forward steps to address annexation and development review issues and move forward with proposed Loera and Mitchell-Tully developments.

Website updates to Meeting Minutes, etc. as needed.

Prepare and issue documents for transfer of completed Phase I Wastewater System infrastructure to City and to Waco/WMARSS.

Any other administrative items as they arise.

3. Update on Lorena TIRZ #1 East Phase II Wastewater Improvements project including Path Forward.

During Month No. 7 - 12/04/18 to 1/07/19

Overall Construction Status = 91% Complete as of end/December

- Bell Contractors, Inc.

- *Work progress continued to be limited by rainfall “extreme weather conditions” at the Lift Station worksite*
- *Continued to work to complete all remaining Lift Station Work including above ground electrical, concrete pads and footings, masonry screen walls, driveway, equipment canopy, electrical control panels, generator, SCADA and antenna*
- *Start-up testing now re-scheduled from 12/19-20/18, to week of 01/14/19, weather permitting, specific day to-be-determined*
- *Previously Issued Change Order #2, dated 11/27/18, at no additional cost, to extend the Contract Period in recognition of the October-November extreme weather conditions to 12/31/18. for completion of remaining work.*
- *Issued Change Order #3, dated 01/03/19, at no additional cost, to extend the Contract Period in recognition of the December and continuing extreme weather conditions to 01/31/19 for completion of remaining work.*
- ***Loera Home Builders***
On 10/25/18 Loera Home Builders received the Final Alignment Change Reimbursement Agreement for signature and subsequent reimbursement payment of \$10,548.91
 - *Loera has not signed/returned the Reimbursement Agreement to-date.*

Month No. 8 Look Ahead – 01/07/19 to 02/04/19

- *Bell Contractors, Inc.*
 - *Complete all remaining Lift Station Work including above ground electrical, concrete pads and footings, masonry screen walls, driveway, equipment canopy, electrical control panels, generator, SCADA, antenna, and start-up testing*
- *Start-up testing during week of 01/14/19, weather permitting, specific day to-be-determined*
- *Completion by 01/31/19*
- *Contract Closeout during January and/or February, 2019*

3B. Discussion and possible action on Lorena TIRZ #1 East Phase II Wastewater Improvements Change Order #2 which increased the contract period by 9 days from 12/22/18 to 12/31/18 due to extreme weather conditions at no cost to the TIRZ and Change Order #3 which increases the contract period by 31 days from 12/31/18 - 1/31/19 due to extreme weather conditions at no cost to the TIRZ.

The Board discussed the proposed Change Order #2 and Change Order #3. J Fagner moved to authorize Change Order #2 which increased the contract period by 9 days from 12/22/18 to

Lorena TIRZ #1 East
Minutes of Regular Meeting of the Board of Directors
Monday, January 7, 2019

12/31/18 due to extreme weather conditions at no cost to the TIRZ and Change Order #3 which increases the contract period by 31 days from 12/31/18 - 1/31/19 due to extreme weather conditions at no cost to the TIRZ. William Callan seconded the motion. The motion was unanimously approved.

4. Update on completion of Lorena TIRZ #1 East Annual Report, January 2018 – December 2018.

Mr. Mundo presented to the Board the completed Lorena TIRZ #1 East Annual Report for the period January 2018 – December 2018. Mr. Mundo noted that this report is required by the TIRZ development agreement with McLennan County and added that he would send it to the County Commissioners for their review.

5. Update on ICSC Red River Conference and Deal Making Expo, January 9 – 11, Ft. Worth Convention Center, marketing of Lorena and Lorena TIRZ #1 East commercial properties.

Mr. Mundo noted that he would be marketing Lorena and Lorena TIRZ #1 East commercial properties the remainder of the week at the on ICSC Red River Conference and Deal Making Expo, January 9 – 11, Ft. Worth Convention Center. Mr. Mundo added that exhibiting at this annual Expo has been instrumental in exposing and creating development interest in Lorena, and creating leads and development opportunities being negotiated today in the City.

6. Discussion and possible action(s) to approve the following financial reports and invoices:

- A) Lorena TIRZ #1 East monthly Financial Report and monthly Cash Flow Report;
- B) Mundo and Associates invoice representing Administration services December 2018;
- C) Bovey Law invoice for TIRZ legal services December 2018;
- D) KPA invoice for Phase II Wastewater Improvements Engineering Construction Administration and On-Site Representation services December 2018.
- E) Mundo invoice for Phase II Wastewater Improvements Construction Phase Program Management services December 2018.
- F) Bell Contractors invoice for Phase II Wastewater Improvements Construction Services December 2018.
- G) Motion to authorize payment of the following Certificates of Obligation (CO) to City of Lorena: CO Series 2017 in the amount of \$33,862.50; CO Series 2017A in the amount of \$14,172.50; CO Series 2018 in the amount of \$28,062.50.

Lorena TIRZ #1 East
Minutes of Regular Meeting of the Board of Directors
Monday, January 7, 2019

The Board reviewed and discussed items A through G listed above. J Fagner moved to approve items A through G listed below:

A. Lorena TIRZ #1 East Financial Report and Cash Flow Report.

B: authorize payment of \$4,200.00 to Mundo and Associates representing Administration services December 2018.

C: authorize payment of \$1,023.16 to Bovey Law for TIRZ legal services December 2018.

D: authorize payment of \$8,709.00 to KPA for Phase II Wastewater Improvements Engineering Construction Administration and On-Site Representation services December 2018.

E: authorize payment of \$2,000.00 to Mundo for Phase II Wastewater Improvements Construction Phase Program Management services December 2018.

F: authorize payment of \$141,254.15 to Bell Contractors Inc. for Phase II Wastewater Improvements construction services December 2018.

G: authorize payment of the following Certificates of Obligation to City of Lorena: CO Series 2017 in the amount of \$33,862.50; CO Series 2017A in the amount of \$14,172.50; CO Series 2018 in the amount of \$28,062.50.

Kelly Snell seconded the motion. The motion was unanimously approved.

7. Adjournment

The meeting was adjourned at 6:54 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.

Bill Coleman, Board Chairman, Date

Chuck Roper, Board Secretary, Date