

**LORENA TIRZ #1 EAST
REGULAR MEETING OF THE BOARD OF DIRECTORS
MONDAY, MAY 6, 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 6:34 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. Also Present: Kevin Neal (Public Works Director) Jason Mundo of Mundo and Associates, Inc. (TIRZ Administration and Program Management Consultants).

1. Discussion and possible action to approve Lorena TIRZ #1 East Meeting Minutes – March 4, 2019

The Board reviewed the meeting minutes. J Fagner moved to approve the Lorena TIRZ #1 East Meeting Minutes – March 4, 2019. William Callan 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.

March 2019 - Administration Contract:

Preparation for 3/4/19 TIRZ Meeting including - Agenda Preparation, Meeting Minutes Preparation, Coordination with Chairman Coleman on Agenda, Preparation of Admin Path Forward, 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.

Printing and assembly of Board Packs, Conduct TIRZ Meeting.

Review of State of Texas Legislative Bills filed that may impact Lorena TIRZ #1 East and Lorena. Correspondence with House Ways and Means committee members regarding opposition to HB 1058.

Review of Phase I maintenance bond inquiry and response.

April 2019 - Administration Contract:

Review of State of Texas Legislative Bills filed that may impact Lorena TIRZ #1 East and Lorena.

Preparation of TIRZ Financial Pack including preparation and review of all financial reports and invoices. Coordination with Chairman Coleman and the City on approval and payment of those invoices.

Coordination with City Financial Officer on request from City for audit fee for TIRZ portion of City audit.

Coordination with TIRZ legal counsel on meeting report of April 23 meeting with City and developer Loera.

Look Ahead Months: 05/01 to 07/01, 2019

Administration Contract (may include but not limited to):

Preparation for 5/6/19 TIRZ Meeting including - Agenda Preparation, Meeting Minutes Preparation, Coordination with Chairman Coleman on Agenda, Preparation of Admin Path Forward, 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.

Printing and assembly of Board Pack, Conduct 5/6/19 TIRZ Meeting.

Monitoring of Bills of 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.

Preparation of TIRZ Financial Pack in June including preparation and review of all financial reports and invoices for March services. Coordination with Chairman Coleman and the City on approval and payment of those invoices.

Preparation for 7/1/19 TIRZ Meeting including - Agenda Preparation, Meeting Minutes Preparation, Coordination with Chairman Coleman on Agenda, Preparation of Admin Path Forward, 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.

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.

Project Planning: Old Temple Rd./Barnes Rd./Cooksey Rd.(Implementation of TIRZ Project Plan)

Website updates as needed.

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. 10 – 03/01/19 to 03/08/19

- ***Bell Contractors, Inc. completed all remaining Lift Station Work including masonry screen walls, driveway, gate threshold, and perimeter livestock fencing***
- ***Final Project Walk Through held on 3/4/19.***
- ***Project completed on 3/8/19***

Project Closeout Phase - during Month No. 10 – 03/01/19 to 03/15/19

- a. Change Order - #4 / Closeout CO finalized 3/11/19**
Closeout CO included:

- 1) Resolution of additional Construction Contract Time/Construction Days from 1/31/19:.....+36 days to 3/8/19**
- 2) Construction Contract Addition Items:**
 - ***Barbed Wire Fence-150 ft. on north and east sides of Lift Station+ \$ 7,018.00***
- 3) Construction Contract Deduction Items:**
 - ***Bid Item #'s 14,15,16,&17 - Force Main Fittings not required(\$ 5,639.89)***
 - ***Bid Item # 19 – Concrete Encasement @ 50 LF(\$ 2,544.50)***
 - ***Bid Item # 33 - Two Access Gates not required @ \$ 3,850..... (\$ 7,700.00)***
 - ***Bid Item # 34 - HOT Electric Coop Power Installation unused balance from \$50,000 bid-item set-aside (\$ 31,105.70)***
 - ***Bid Item # 35 - Construction Staking unused balance from \$20,000 bid-item set-aside(\$ 13,750.00)***
 - ***Bid Item # 36 – Material Testing unused balance***

from \$5,000 bid-item set-aside (\$ 4,652.00)

Closeout CO #4 Net Value is a deduction of..... (\$ 58,374.09)

- b. Final record drawings were completed by General Contractor*
- c. Acceptance reviews and recommendations were made by PHII Design Engineer and Program Management Consultant*
- d. AFFIDAVIT OF TOTAL RELEASE AND CERTIFICATION OF ALL BILLS PAID was received from Contractor dated 3/11/19*
- e. Contractor Final Pay Application was processed and approved on 3/14/19*
- f. Original as-bid cost = \$ 844,483.76
FINAL Contract Cost = \$ 790,795.08*

The Board entered into closed executive session at 6:47 pm.

4A. EXECUTIVE SESSION – CLOSED SESSION:

Pursuant to Texas Government Code Section 551.071 – Consultation with Attorney:

the TIRZ #1 East Board shall consult with Legal Counsel in Executive Session regarding legal issues involving development agreement negotiations between TIRZ #1 East and a developer planning to develop in Lorena TIRZ #1 East and other associated issues.

4B. RECONVENE TO OPEN SESSION:

And take any action necessary as a result of Executive Session.

The Board reconvened into open session at 7:55 pm. No action was taken.

5. City Manager update on annexation of Mitchell-Tully properties within Lorena TIRZ #1 East.

The City Manager was not present so Mr. Mundo updated the Board that City Council was nearing completion of annexation of the Mitchell-Tully properties within Lorena TIRZ #1 East.

6. Update on State of Texas 86th Legislative Session and proposed bills that could impact Lorena TIRZ #1 East and Lorena.

Consultant Jason Mundo updated the Board on the current Legislative Session notably SB2 and HB2 regarding caps on property tax increases. No action was taken.

7. 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 April 2019;
- C) Bovey invoice for legal services April 2019.
- D) City of Lorena invoice for audit fee representing TIRZ portion of City audit.

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

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

B: authorize payment of \$2,000.00 to Mundo and Associates representing Administration services April 2019.

C: authorize payment of \$806.20 to Bovey for TIRZ legal services April 2019.

D: authorize payment of \$500 to City of Lorena for TIRZ portion of 2018 City audit.

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

8. Adjournment

The meeting was adjourned at 8:20 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