

**LORENA TIRZ #1 EAST
REGULAR MEETING OF THE BOARD OF DIRECTORS
MONDAY AUGUST 5, 2024, AT 6:30 P.M.
LORENA CITY HALL, 107A S. FRONTAGE RD., LORENA, TX 76655**

MINUTES

1. Call to Order/Roll Call.

The meeting was convened at 6:31 pm and it was noted that the meeting was posted in accordance with the requirements of the Texas Open Meetings Act and a quorum was present. Members Present: Chairman Tommy Ross, William Callen, Brad Wetzel, Commissioner Jim Smith, Emily McKenzie (arrived at 6:34 p.m.) and present via teleconference: Kelly Yarbrough. Members not present: Emily McKenzie Katrina George; Also Present: Kevin Neal (City of Lorena City Manager).

2. Citizens questions or comments.

There were no visitors or citizens present, and no email correspondence was received by City Manager Neal.

3. Discussion and possible action to approve Lorena TIRZ #1 East Meeting Minutes – April 1, 2024.

The Board reviewed the meeting minutes. Brad Wetzel moved to approve the Lorena TIRZ #1 East Meeting Minutes – April 1, 2024. Commissioner Jim Smith seconded the motion. The motion was approved unanimously.

4. Discussion and possible action to approve the Lorena TIRZ # 1 East monthly Financial Reports and Invoices.

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

B) City of Lorena invoices representing administrative services for April 2024 through July 2024.

The Board reviewed the financial and cash flow report. City Manager Neal explained revenues and expenditures for the preceding months between the last TIRZ meeting and August 5, 2024. Neal further explained that the TIRZ financial report and cash flow reports beginning October 1, 2024 will be maintained on a fiscal year calendar to align with the budget. Commissioner Smith moved to approve the Lorena TIRZ # 1 East monthly Financial Reports and Invoices as presented. Brad Wetzel seconded the motion. The motion was unanimously approved.

5. Presentation of new rate structure for TIRZ Attorney Bovey & Cochran.

Chairman Ross explained that the rate for services will increase for services provided on an as needed basis from Bovey and Cochran beginning October 1, 2024 from \$165.00 per hour to \$185.00 per hour. No action taken on this agenda item as it was informational only.

6. Discussion and possible action to approve the City of Lorena to continue to provide administrative services for the Lorena TIRZ #1 East Board of Directors during FY 2024 – 2025 at a rate of \$15,750.00 annually.

City Manager Neal explained that this was the same contract as agreed to last fiscal year for administrative services with a 5% rate increase to keep up with inflation. The 5% increase is an increase in total cost of \$750.00 for the year, bringing the total administrative services contract to \$15,750.00 annually. This 5% increase was based on the City's original proposal to give a 5% across the board raise to every city employee. Neal further explained that this rate would not change even in the event that the City is able to give more than a 5% raise to their employees. Commissioner Smith moved to approve the 2024 – 2025 administrative services agreement between the City and the Lorena TIRZ #1 East Board of Directors for an annual amount not to exceed \$15,750.00. William Callen, seconded the motion. The motion was unanimously approved.

7. Discussion and possible action to approve the FY 2024 – 2025 proposed budget.

The Board reviewed the 2024 – 2025 proposed budget as presented. The presented budget was prepared by City Manager Kevin Neal, and Chief Finance Officer Linda Klump of the City of Lorena. After discussions on debt service coverage, expenditures, revenues, and fund balances Chairman Ross called for a motion. Commissioner Smith moved to approve the Lorena TIRZ # 1 East FY 2024 – 2025 budget as presented. Brad Wetzel seconded the motion. The motion was unanimously approved.

8. Discussion and possible direction for continued negotiations related to amending the developer's agreement between the Lorena TIRZ #1 East and the Mitchell – Tully Group.

City Manager Neal explained that the ongoing negotiations between the Mitchell – Tully group and the Lorena TIRZ #1 East Board of directors has stalled based on the proposed amendment that would put in writing that the Mitchell – Tully group would forfeit any and all reimbursement that may be due to the Mitchell – Tully group if all conditions of the developers agreement were not completed as agreed. After a lengthy discussion the board gave direction to Neal to consult with the TIRZ Attorney in regards to the continued negotiations with the Mitchell – Tully group and bring additional information back to the Board. Commissioner Smith moved to table this item until Neal has recommendations from the TIRZ Attorney. Brad Wetzel seconded the motion. The motion was unanimously approved.

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9. Future Agenda Items.

None

10. Adjournment.

The meeting was adjourned at 7:07 pm



Tommy Ross - Lorena TIRZ #1 East Chairman

February 3, 2025

Date