

MINUTE RECORD OF THE CITY OF SAN ANGELO TAX INCREMENT REINVESTMENT ZONE MEETING HELD ON WEDNESDAY, May 25, 2016 AT 12:00 PM, MCNEASE CONVENTION CENTER, 501 RIO CONCHO DRIVE.

PRESENT: Lee Pfluger, Dominic Santos, Craig Kinney, William Dendle, David Mazur, John Klingemann, Johnny Calvert

ABSENT: Bob Pfluger (AE), Mike Campbell (AE), Anne Coverston (AE), Travis Stribling (AE) Nelly Perez (AE)

STAFF: Jon James, AICP
AJ Fawver, AICP
Sarah Tackett
Dan Saluri
Joe Mangrem

I. Call to order, establish quorum.

The meeting was called to order at 12:00 pm. It was established that a quorum was present.

II. Public comment.

No public comment.

III. Consideration of approving the minutes from the March 23, 2016 and the March 30, 2016 TIRZ Board Meetings.

Motion to approve the March 23, 2016 and March 30, 2016 TIRZ Board Meeting Minutes with corrections by Mr. David Mazur, seconded by Mr. John Klingemann and carried unanimously.

IV. Discussion regarding streetscape upgrades and annual streetscape maintenance contract.

Mr. Joe Mangrem, Assistant City Engineer, presented an update to the TIRZ Board. In January of this year from Concho to Twohig, 3rd to 5th streets 17 trees were planted. They included varieties such as Chinese Pistache and Lacy Oak. Farmer's Daughter

planted the trees and did a few repairs to the electrical and irrigation systems. A map of the location was presented.

Planned improvements for 18th to 20th that are needed: repair damaged electrical receptacles, repair damaged irrigation, replace some trees, eliminate grass, and install Xeriscaping. Estimated cost of the repairs, etc. is \$10,000. Pictures of the area were presented. Landscape maintenance contract would include the following: seasonal pruning, fertilizing, pest control, weed removal and control, irrigation scheduling, maintenance and system winterization and general trash and debris clean up. Estimated costs is approximately anywhere from 6000, 10000. Mr. Lee Pfluger stated that the board went through a great deal of time developing these areas, so you are telling me they haven't been maintained? Have we investigated possibly paying someone \$500 a month to maintain the area? Mr. Joe Mangrem asked if there was an agreement initially to maintain? There was not. Mr. Joe Mangrem stated that the South Zone is in good condition to be maintained. In the north, property owners were supposed to maintain the property in front of their business; however, many properties have not been maintained. Texas Bank has went above and beyond to maintain their property. Mr. Joe Mangrem added we would like to remove the high maintenance areas and incorporate less maintenance intensive plants, etc. Mr. Jon James stated that we will bring this item back as an action item at a future meeting. Mr. Lee Pfluger suggested taking this item to City Council for discussion/approval.

V. Discussion regarding the reorganization approved by City Council. (item requested by Chairman, Mr. Lee Pfluger)

Mr. Jon James presented a brief overview of items approved by City Council. City Council approved the following: 9 voting members and 5 advisory members (non-voting). The advisory board members will have no term limits. Members appointed from SMD 2, 3, and 4 must live, work, or own property in the North Zone. Members appointed from SMD 1, 5, and 6 must live, work, or own property in the South Zone. The effective date of the reorganization is June 21, 2016. As of June 21, 2016 the current TIRZ and DDC will no longer exist. Staff has contacted the current TIRZ and DDC members to see if they would be interested in continuing to serve, this information will be sent to City Council and Tom Green County. The Conflict of Interest provision would not allow board members, Council Members or Planning & Development Services staff to receive TIRZ funding. Board members cannot participate or vote on items affecting them financially. Mr. John Klingemann asked for an overview of the discussion from council regarding the 5 advisory members. Mr. Jon James stated that this was a compromise between the 2 versions. Mr. John Klingemann asked, how do you define an advisory capacity? Mr. Jon James stated the

advisory members can speak on an item and discuss the issue; the advisory member may not vote on an item.

VI. Discussion regarding the Conflict of Interest impact on the TIRZ Board Members. (item requested by Chairman, Mr. Lee Pfluger)

Mr. Lee Pfluger stated he sent out a letter to Mr. Dan Saluri and Mr. Jon James with regards to the conflict of interest. Mr. Lee Pfluger wanted to make sure everyone on the board understands the new terms of the Conflict of Interest Policy before deciding if they would like to be considered to continue serving. The new terms are similar to COSADC's policy. Mr. Lee Pfluger stated that in his letter he asked a few questions regarding the policy. He added that Mr. Dan Saluri explained the law; however, he would like a yes/no answer; can uncles and aunts of board members receive incentives? Mr. Dan Saluri stated that it would not be allowed; it's statutory, so I quoted what's in the statute.

Mr. Johnny Calvert left the meeting at 12:34.

Mr. Lee Pfluger asked if the project manager, architect, real estate broker, etc. is working on a project; is that project eligible to receive funding? Mr. Dan Saluri stated if they are the TIRZ Board Member or related to the TIRZ Board Member, the project would be eligible; however, the board member would need to complete a written affidavit, recuse themselves from discussion and voting.

Mr. Johnny Calvert rejoined the meeting at 12:39.

Mr. William Dendle asked how much has been paid out to private property owners. Mr. Lee Pfluger stated that approximately \$265,000 has been paid out to dates since the beginning of the TIRZ. Mr. Craig Kinney stated there are people on this board who own property downtown and do significant things with those properties; I think the Conflict of Interest Provision will require some people to leave this board and that is a great loss. Mr. Jon James stated that this provision came about from a request from City Council. This provision was modeled after a provision from COSADC's by-laws. Mr. William Dendle stated, as this board dissolves I wanted to thank everyone; I feel the process has improved. Mr. Lee Pfluger stated it has been an honor to serve with this board; I can never imagine another board ever functioning as well as this one. I hope City Council will appoint some of us; I know there will be some change. This is a great project and great way to fund some of the neediest projects in this town. We thank the City and the County.

VII. Announcements and consideration of future agenda items.

Next meeting is scheduled for June 15, 2016 at 12:00 PM.

VIII. Adjournment.

Motion to adjourn by Mr. Dominic Santos, seconded by Mr. John Klingemann and carried unanimously. Meeting was adjourned at 12:55 PM.



Lee Pfluger, TIRZ Chairman