

STATE OF TEXAS

COUNTIES OF POTTER AND RANDALL

CITY OF AMARILLO

On the 21st day of April 2022, The Greenways Public Improvement District (PID) Advisory Board met at 10:00 AM at the Llano Real Estate Group Office located at 7639 Hillside Rd, Ste 300, Amarillo, Texas, with the following people present:

VOTING MEMBERS	MEMBERS PRESENT	TOTAL NO. MEETINGS HELD SINCE APPOINTMENT	TOTAL NO. MEETINGS ATTENDED SINCE APPOINTMENT
Tommy Stafford	Yes	5	5
Stephen Carter	Yes	25	20
Jeff Greenlee	Yes	5	5
Kim Dryden	Yes	19	13
Seth Thomason	Yes	12	10

CITY OF AMARILLO STAFF:

Justin Oppel, City of Amarillo
Devin Jones, City of Amarillo
Matt Poston, City of Amarillo

OTHERS IN ATTENDANCE:

Sara Nickson – HOA Manager

ITEM 1: Approval of Minutes from the March 10th 2022 meeting.

Justin opened the meeting and brought up the first item, which was the approval of the minutes. Jeff Greenlee motioned to approve as presented, Kim Dryden seconded. The motion passed unanimously.

ITEM 2: Discuss and consider ongoing maintenance and operation of PID improvements.

Justin turned the meeting over to Sara to present this item. Sara stated that she had not heard back about the revisions or any kind of update on the requested changes for the drainage channel from the last meeting. She reached out to him but had received no response. She stated that they were still at a standstill until they could get a revised drawing for the drainage issue. She stated that the HOA has agreed to run electrical at King's Gate Bridge. The HOA is asking the PID to put in four lamp posts, one at each corner which would come out to about \$5000 a piece, for a total of \$20,000. She stated that they did not need to vote on it today, but since they were going to be discussing the budget at this meeting, she wanted the board to be aware of that. The electrical itself was going to cost about \$10,000 to install. Tommy Stafford asked if that's the general cost of lamp posts, and Sara stated to match the electrical and lighting they already have that is what she believed the cost of the others were. She stated she would be happy to get other estimates if the board might feel like that was high. Tommy stated it seems high, but everything seems high to him. Sara went on to further explain that the HOA was running electrical over there, because ultimately the goal was to put Christmas lights over there to match Bayswater. It was suggested for possibly two. Sara stated that they were welcome to drive by and look, but the bridge at Bayswater had four. She went further to state that there had been a lot of irrigation repair and did a check for all the sprinkler heads. Quite a few of them had been damaged by the fiber drilling, so she was talking to Matt about it because it was a disaster. The area had been left open since October. When she talked to the contractor, he said it was because he couldn't keep staff on hand. She stated that there was a new crew that started working on this last week and that

restoration was last on the list, they had to finish the drilling first, but he will be restoring it to the original condition. Jeff asked if they were going to be reimbursed for the damage. Sara stated that yes, the ones that they caused the PID would be reimbursed for. Tommy asked if the PID would replace it, or if the contractor would. Sara stated that when they find a leak, she has them stop immediately so they can call them to have them come look at it and verify it's a leak caused by them. Tommy asked if it would be the PID contractors or someone else. Sara stated no, it would be the PID contractor who fixed it.

Stephen Carter asked about the concrete being poured and asked if that was the PID. Sara stated that no, it was damage from the runoff from House Divided.

ITEM 3: Discuss the Developer Reimbursement.

The board decided to discuss this along with Item 4.

ITEM 4: Discuss 2022/23 Budget and 5-Year Service Plan.

Justin introduced the two staff members from accounting that had come to help with the budget. He stated that Matt had created a document where they could input different numbers to get the desired budget. Justin then stated that he had just received the assessment roles from PRAD the other day, and he's in the process of confirming what they sent. He stated that their numbers might change slightly based on the information he'd been sent. Matt stated last meeting that he'd added the lots that he'd been told would be there in those future years. There was some discussion about these lots, but ultimately it was deemed they were put in the right years to reflect the proper income.

Matt noted that they have the developer reimbursement cost listed at the prime rate of 3.25% he stated that it has gone up to 3.5%. He stated that he plugged in a 4% rate into the document, He didn't feel it would go that high, but he wanted to just be sure they budgeted enough. Sara commented on the correction of the D Lot assessment and correcting that amount to make sure their document was as accurate as possible. She stated the correct cost should be \$935.

Matt stated that he used an inflation rate of around 2% which is the city standard. He stated that he highlighted the water line, because water really is the big unknown as far as budgeting because there may be some dry months, may be some wet months. He stated that with actuals from last year, they ended up around \$172,000 so they have their conservative budget set around \$225,000. He stated that everything else looked good and was staying within budget. Matt had updated the debt service updated and showed that one would fall off around 22/23. Another around 28, and the others were further out in the year 2031 and beyond. He also stated that he had the developer reimbursement listed out for them and calculated several different options. The first scenario was to pay everything off this year and do a \$6 increase on assessments to get the surplus back and keep building after that. The second option was to pay off a piece of it over 3 years, and that did not require a rate increase.

There was some discussion about increasing the amounts in several different line items, and Kim Dryden commented that she felt that 2% was at least 5% too low for actual inflation, and that the longer they spent not repairing things that needed to be repaired, the more likely it would be they needed to replace them. The board then went on to discuss how much needed to be in different line items. It was stated that the Contract Labor would be the same for the next two years or so. Sara talked about a plan she was working on to work on each green space over the course of several years, and work on one area at a time, as everything would need to be redone about every ten years anyway.

After inputting all the numbers, without paying the developer, their surplus was decreasing, but they were still positive at the end of 5 years. Kim asked for Matt to put in 7% inflation for the assessment rate, and to increase assessment rates, it would put their surplus climbing again.

The board began talking about the reimbursement, and by paying \$35,000 every year, they'd have the developer paid off in 5 years.

Looking at the changes to the budget, it was determined that this was all sometimes minimal, but everything they needed. However, this did not include the light posts that the HOA was asking for them to put in. Kim stated that looking at that \$20,000, she could understand and appreciate what they were wanting to do with it, but she felt that money was better spent maintaining the assets they already had. Though the main desire was for Christmas, that was three weeks out of the year, and they had to be cognizant of what they needed all year round. Tommy asked if it was a safety issue, and Sara stated that yes there was a little bit of a safety issue.

Sara discussed getting down to the three-month minimum made her very nervous, just in case something big happened and they needed that money. Stephen asked about the pump they were going to have to replace. Sara stated that they decided not to do that yet as it wasn't currently causing any issues, but it was something they'd need to take care of down the road. She stated that the replaced one over at Andover Alley, but not the \$20,000 pump just yet.

There was some discussion on Sara's fee, she stated she had been told that was set at \$10,000 a year, but she didn't have full clarity on that, so she had been billing what the HOA had been paying her until she could get clarity on that. The board clarified that the \$10,000 was intended for Sara.

Sara asked about assessments, Kim stated she did not want to raise the price a full 7% simply because it was a large increase to begin with, but the people living in those Class D lots would see a correction as well. Jeff stated that it was in step with the economy at 7%. They asked for the base rate which all the others were dependent on to start at \$670. They also fixed the formula for the Class D lots to be 1.5 of the base rate rather than 1.2.

Stephen asked if the developer reimbursement was fixed. It was stated they could adjust how much they were paying, but they owed the full \$170,000. Stephen had a few questions on some invoices that he'd pulled a few things that he found some invoices that he had questions on why they paid for some things he felt they shouldn't. He also stated that they knew back in the 80's that the trickle water wouldn't work, but he was told not to worry about it because the city would take it over. He stated that the Kingsgate bridge, they wanted to stop the cement at the bridge and run the water through the dirt into the pond. He voiced his opinion then, and now there's the same issue with the same developer and landscape architect that designed so many things they're having issues with. He asked why the homeowners should have to pay for their incompetence. Sara asked if the lawn maintenance would come out of the maintenance budget for the PID before the developer turned over the property. Tommy stated that part of it was billed to the PID, and part was billed to someone else. Stephen said he was upset that they were talking about raising rates to pay for everyone else's mistakes. He didn't feel it was right. Tommy asked for Steve's solution, and Steve stated that he felt Eddie Scott should donate to help fix it, as well as the Landscape Architect for the Scott Park Drainage issue, and to reduce the amount they owed Eddie Scott. Sara asked what that looked like functionally.

Kim asked for clarification on what Steve was suggesting, verifying that it was that he thought Eddie should go back to Cleve about the issue, and state that "We're going to pay 170,000 less x dollars for the drainage issues at Scott Park" and let him deal with Cleve. Steve asked what the cost was going to be to fix the issue. She stated \$12,000 just in concrete, plus extra for the other parts, so she said she would ballpark at \$18,000. Steve said you also had to add in grass and sidewalk. Seth made the comment that they were also told well within the year warranty on the work. Sara stated that Muff told her that they had gone in and marked and replaced some trees at the end of the year, and that it was a significant amount. Kim asked if Cleve replaced those trees, she stated that it was Green Plains Design

who had the contract for that, and that was who came in and did it. Steve stated that he wanted to reduce the amount they owed Eddie. Kim stated that Eddie was an attorney, so if they wanted to pursue this, they had to have real numbers, and they needed to make sure they did it right. Seth stated that he agreed that it needed to be a hard number of what the damage actually was. Sara told the board, that meant getting an official bid on the project, and at this point all she had was a general, rough number. Steve stated that when residents come ask him why they're raising rates, he's going to tell them, it's because the city messed up. Seth said he agreed that was part of it, but that wasn't the whole picture of why they were raising rates. Sara stated, no matter what happened, they were due for a rate increase anyway, and that even if that were out of the picture, they would still need to raise them. Kim said regardless of whether they ended up getting that money back from Eddie Scott or not, it simply means they paid him off in four years, or that their payment over 5 years was less, but it really didn't change the discussion, because that wasn't going to happen with Eddie next week, but she didn't discuss. Sara asked to clarify that the board was wanting to pay this off over 5 years. Tommy stated that Eddie would drag OJD and Cleve back into it with him, so it would take time. Seth wanted to clarify that they were agreeing to paying \$35,000 this year for developer reimbursement, but they are not agreeing to pay the full amount. Tommy asked if Sara was willing to reach out to them. She stated she'd be happy to have the initial conversation, but that meant she'd eventually it would mean a meeting with Muff, but she felt that a meeting with Muff with all the board would be more impactful than one phone call. She stated she felt this was best because all these developer discussions were from before her time managing the PID, and that she felt the full support of the board would show they were all on the same page. Steve asked if the PID ended up needing a lawyer if that would be Leslie. Leslie stated that they would probably have to hire their own lawyer, as she was here for the city and to make sure that the meetings met Open Meetings requirements. Sara queried how much they wanted to spend in attorney fees. Kim stated that there was no point on putting Eddie and Muff on alert for a soft number, they needed a hard number.

There was some discussion on whether a board was ever asked about hiring the architect. Kim stated that was the developer's choice. There was further discussion about what parts of Greenways this architect designed. Sara stated she would work on getting the information from OJD and a proper bid and they could go from there. Matt explained that the way the budget was set up currently, they would be paying \$35,000 this year for fiscal year 2021/2022. Sara asked when that would pay out, Matt said as soon as the budget was approved, they could cut a check.

ITEM 5: Discuss dedication of Parcel R-370-0390-0001.0 (Potter-Randall Appraisal District Property ID #219775) from developer to City of Amarillo or PID.

Justin pulled up a map of the property, showing the parcel in question. He stated that he had taken the board's comments back to Floyd Hartman, to see where they would go from there. It was discussed in the previous meeting that the PID would be willing to take care of everything north of the sidewalks, as they are already maintaining it somewhat now. Justin explained that he'd done some checking around in departments to see who was maintaining the grass currently, whether it was Parks or Drainage Utilities. He found out that it was in fact Drainage Utilities. Justin further stated that the city was okay with The PID managing the section north of the sidewalk, and Drainage Utilities maintaining the drainage area, and everything to the south. However, since Oscar and the PID would be maintaining there area to a much higher standard, if too many complaints started coming in about the quality in that area that the Drainage Utilities was simply knocking down, then the PID would be responsible for maintaining the entire area.

Sara asked about their time frame for keeping that area maintained. Justin stated that he could find out for sure. Sara stated that Oscar was currently taking care of everything north of the 'U' of sidewalk area, but also east of there where the grass is green. He's not being paid for it, and he's doing it as a

courtesy because he wants it to look nice, so she was open to a discussion on how much they take over. There was some discussion about the future tenant in that corner lot being unhappy about the grassy area behind their home if it's not maintained to the PID Standard. Kim asked about possibly maintaining it not quite as high as their usual standards, but above city standards, and asked what that would possibly cost. Justin asked if there was any intention to extend the two sidewalks. Sara stated that from what Connie had told her, the city was going to be turning that area into a nature trail area, so originally that's what was going to happen with some of that. Tommy asked Justin if the city was willing to take it as city land or as park land. Justin stated he'd need some clarification on that. Justin stated that he would check with Drainage Utilities on their schedule, and he stated that the issue with parks was that they just hadn't had the employees to keep up with their schedule.

ITEM 6: Discuss and consider Class D lot assessment and consider possible actions related to Class D lot assessment

Justin stated that this item was on the last agenda, however due to a typo in the agenda they were not able to vote on it at the last meeting. Justin called for a motion. Seth made a motion to raise the Class D lot assessment to a 1.5 multiplier. Kim Seconded the motion. The motion passed unanimously.

ITEM 7: Discuss and consider budget amendment

There was no budget amendment necessary since they did not decide to pay more or less this year than they planned.

ITEM 5: Discuss future agenda items.

Steve asked if there was a letter from Donnie Hooper explaining that the drainage fee would not pay for the repairs. Justin stated he would get back with Donnie, that he reminded him the other day to send it over.

Seth asked if they needed to put Sara's compensation as a future agenda item. Kim stated that she felt it was taken care of now, so that Sara can bill what she should be billing.

Sara mentioned the budget at the next meeting.

The meeting date was set for June 9th.

ITEM 6: Adjourn meeting

There being no further action, the meeting was adjourned.