

STATE OF TEXAS

**COUNTIES OF POTTER
AND RANDALL**

CITY OF AMARILLO

On the 16th day of June 2021, the Heritage Hills Public Improvement District (PID) Advisory Board met at 8:30 AM by video conference in Room 203 on the second floor of the Jim Simms Building, 808 S. Buchanan, Amarillo, TX with the following people present:

VOTING MEMBERS	MEMBERS PRESENT	TOTAL NO. MEETINGS HELD SINCE APPOINTMENT	TOTAL NO. MEETINGS ATTENDED SINCE APPOINTMENT
Perry Williams	No	8	5
Seth Williams	Yes	8	8
James Bentley	Yes	8	7
Aaron Johnson	Yes	4	4
Kris Roberts	No	4	3

CITY OF AMARILLO STAFF:

Kelley Shaw, City of Amarillo
Kim Conley, City of Amarillo

OTHERS IN ATTENDANCE:

Leslie Schmidt, City of Amarillo
Blair Snow, City of Amarillo

ITEM 1: Approval of Minutes from the April 30, 2021 meeting

Mr. Kelley Shaw began the meeting by establishing a quorum and briefly reviewing the previous meeting. Mr. James Bentley motioned to approve the minutes from the April 30, 2021 meeting with Mr. Seth Williams seconding. The motion was approved unanimously.

ITEM 2: Discuss ongoing PID operations and maintenance contract

The board briefly discussed the previous meeting and concerns on improvements that have not yet been taken care of. Mr. Aaron Johnson stated that there are no weed barriers on most of the flower beds, gravel has not been added to the dirt road and there are several trees that have not been staked. Mr. Bentley stated that these are all issues that are currently being handled. He also stated that he is in the process of determining how much gravel will be needed to cover the dirt, the landscape company is aware of the trees and that he will follow up with them. Mr. Bentley also stated that on the North end of Legacy, the weed barrier was put into approximately 15 beds. The weed barrier was ineffective and did not seem to be doing what was needed so they were not added to future beds. Mr. Johnson asked if the weed barrier was included on the original bid and Mr. Seth Williams stated that it was listed on the bid and weed barriers would be put down. Mr. Shaw asked if there would be any increases to the maintenance contract or any other information that should be addressed. Mr. Bentley stated that phase 2 will have an increase due to additional landscaping.

ITEM 3: Consider for recommendation 2021/22 Budget and 5-Year Service Plan

Mr. Shaw explained that the values included in the 2019/20 column are actual, while the numbers in the 2020/21 column are revised estimates, and the numbers in the 2021/22 column are budgeted numbers for this upcoming fiscal year. Mr. Shaw then went on to review the 2019/20 column by line item with a total of \$31,000 for expenses and \$317,184 coming in from total assessments. The ending fund balance for the 2019/20 Fiscal Year is \$604,051 and with the removal of the three month operating reserve, the surplus is \$596,334.

Mr. Shaw then reviewed the 2020/21 actual expenses and revised expenses with a total of \$92,676. The projected ending fund balance would be 1,225,891. Mr. Shaw stated that the PID is in good shape with plenty of money in the surplus to cover anything that might come up. The PID board had a brief discussion to determine if the spreadsheet showed the reimbursement of \$429,601.47 to the developer taken out earlier in the year. The board also briefly discussed the possibility of purchasing an insurance policy for protection for the medians and other common areas. It was decided to discuss further at the next meeting.

Mr. Shaw then reviewed the 2021/22 proposed budget. The proposed 2021/22 budget column showed a projected total maintenance budget of \$102,930. The board discussed the increasing square footage with an additional 70,229. Mr. Johnson suggested an increase to the contract and temporary labor line item to ensure the additional square footage would be covered. The additional square footage would bring assessments collected to \$427,364. After a brief discussion, the board decided to increase the line item to \$86,610. With the proposed changes, the total maintenance and operations budget would be \$140,247. Mr. Shaw stated that even with this increase in expenses, due to the increase in square footage, the ending fund balance would still increase with a surplus of approximately \$1 million.

Mr. Shaw explained that the remaining 5-Year Service plan increases with a 2% inflationary factor and the budget remains positive. Mr. Bentley suggested that, due to the amount in the surplus, the PID make an additional line item of \$400,000 to account for a payment to the developer before interest accrues so that a bond would not have to be issued at a later time.

Mr. Shaw stated that he added the \$400,000 for the reimbursement as requested by the board. He stated that this change would decrease the fund balance, but the PID will remain in a healthy surplus. Mr. Johnson motioned to accept the annual budget and 5-Year service plan with the proposed changes shown. Mr. Seth Williams seconded the motion, and it was approved unanimously.

ITEM 4: Discuss future agenda items

The board reiterated that they would discuss the possibility of insurance for common areas of the PID. Mr. Shaw also stated that at the next meeting the board could discuss revisions in the design. The board agreed to meet Wednesday, June 23rd at 10:00 A.M. via Zoom.

ITEM 5: Adjourn Meeting

There being no further action, the meeting was adjourned.