

WYLIE NORTHEAST SPECIAL UTILITY DISTRICT

MINUTES OF THE SPECIAL MEETING OF BOARD OF DIRECTORS

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Tuesday February 27, 2018 at 4:00 p.m.  
745 Parker Rd., Wylie, Texas 75098

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2019  
Jimmy C. Beach

2020  
Greg Lutz  
Brenda Kellow

2018  
Clinton L. Davis  
Lance Ainsworth

**SPECIAL MEETING**

1. ***Call Meeting to order.*** President Jimmy Beach called the meeting to order at 4:06 p.m. and determined that a quorum was present to conduct business. Directors present: Jimmy Beach, Brenda Kellow, Clint Davis, Greg Lutz and Lance Ainsworth. Absent: None. Staff present: Chester Adams, General Manager, Amanda Horst, Business Manager. Staff Present: Engineer Eddy Daniel. Staff Absent: Atty. James Wilson.
2. ***Determine if a quorum is present to conduct business.*** A quorum was present to conduct business.
3. ***Discuss and take action to fund the construction of a 3,845sq. ft. Operations Center with District funds.***

Jimmy Beach presented the cash flow information that Amanda had prepared. Greg Lutz added that the bids that Amanda had used in her scenarios that she prepared the cash flow for were the lowest bid and the highest bid. Therefore, showing that we can fund it either way. Eddy explained that we had a built-in contingency to account for unforeseen items and that the number presented here is a solid number.

Jimmy asked the board what their pleasure was as far as funding the construction since that is the purpose of this special meeting.

Clint Davis asked why commercial construction was twice as much as residential. Greg Lutz responded with a couple of factors: 1. Cost of commercial insurance for construction is greater 2. This is not a cookie cutter construction, it is unique – a one time build. Eddy Daniel added that we had invited home builders to bid, but they were not interested. That could be due to the fact that they are all tied up building homes now. Jimmy Beach interjected that you have to take into account all of the site work, parking lot, the demo of this existing building, etc. that drives up the cost also. Greg elaborated on that with details on the portico in the front and the back and other items that differentiate this from just being a house. Eddy stated that we basically have a few options: 1. We could choose a contractor and discuss the option of value engineering some things to save us some money as we go along 2. Value Engineer it and then rebid it. We would have decide what we would cut. 3. Choose a bidder and go with their price and know that we will get exactly what we have designed. Clint Davis inquired about the slab for the building and Eddy assured him that because the slab was engineered, they will have to stand behind what they have designed.

Jimmy called again for a motion to see what the board's desire for funding construction. Brenda Kellow said to fund it using District funds that are available instead of doing a bond. Lance Ainsworth stated that he would rather do that as well. He continued and said that he would like to get that number down as much as possible using value engineering. Jimmy Beach agreed.

Brenda Kellow made a motion that we proceed with funds on hand (cash) and not sell bonds to fund the construction of the Operations Center. Seconded by Greg Lutz. All others in favor, motion carried.

Greg Lutz stated that we would definitely entertain value engineering with the contractor.

4. ***Discuss and take action on approving a Resolution authorizing an application to the Texas Commission on Environmental Quality for approval of Wylie Northeast Special Utility District Revenue Bond, Series 2018.***

No Action.

5. ***Discuss and take action to approve payment for work by Director Greg Lutz on the Operations Center.***

Jimmy Beach stated that Greg Lutz had presented hours that he had worked at the last meeting and we put them on the agenda to discuss payment options for his work. He turned in 80 hours that he has worked on the Operations Center. Jimmy asked the board what they would like to do as far as compensation for Greg. Greg stated that he didn't do it for the money and he was done tracking hours.

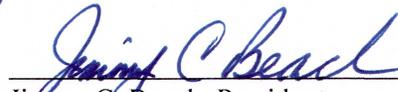
Motion made by Clint Davis that we pay Greg Lutz \$4,000 lump sum for his extra work as a director in assisting on this project. Seconded by Brenda Kellow. All others in favor, motion carried.

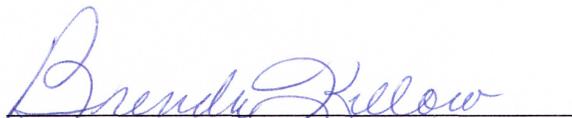
The board also asked for information on the architect agreement and how much he has been paid. Amanda stated that he had a dollar amount to begin with, but when the board authorized the restart, he had an estimate as to what it would cost in addition to original agreement. She said that she will provide that information.

6. ***Adjournment.***

There being no more business before the board, Jimmy Beach adjourned the meeting at 4:59 p.m.

Witness my hand this 10<sup>th</sup> day of April, 2018.

  
Jimmy C. Beach, President

  
Brenda Kellow, Secretary

