

LLANO COUNTY MUD #1
BOARD OF DIRECTORS MEETING
8/29/2017

The Llano County Municipal Utility District #1 Board of Directors held a Regular Scheduled Meeting on August 29, 2017 at 10:30 a.m., at the District Office.

Board member(s) present: Rod Bond, Bruce Lomax, Warner Tweed, L.D. Stewart, and John Walters

Board member(s) absent: None

Also present were General Manager, Angela Thomas

1. **PLEDGE OF ALLEGIANCE**

2. **PUBLIC COMMENTS AND DISCUSSION**

No public comment

3. **DISCUSSION AND ACTION TO APPROVE THE MINUTES OF THE REGULARY SCHEDULED BOARD MEETING HELD ON JULY 25, 2017**

Warner Tweed made a motion to approve the minutes as presented for the meeting held on July 25, 2017. John Walters seconded the motion. All members present were in favor. Motion passed.

4. **DISCUSS REMAINING ROAD DRAINAGE ISSUES**

Two items for discussion on the remaining drainage issues are grading the road in front of Art Greene's home and grate at Bonacci's that is not keeping up with the storm drainage. Director Stewart met with Tony, Willis Engineering, and he is recommending getting a maintainer and putting a ditch across from Mr. Greene's property. There was a ditch there before and was covered up during construction. Director Stewart states storm water comes uphill from 3 directions and comes together at Mr. Greene's driveway; he believes the ditch will help but will not deal with the drainage coming around the hill. Tony wants to create a berm between the row of rocks and flowers to fix the water coming around the hill.

The drainage concern at Bonacci's is that the grate in her driveway is not sufficient for the amount of storm water it receives. Director Stewart believes a drainage pipe not showing on our maps is connected to it and the two driveways up the road from her did not install culverts when they put in their driveways, causing storm water to be directed to her grate. The grate needs to be cleaned out and rocks that were placed behind it need to be removed.

Three items need to be addressed by the next meeting: When will the maintainer be available, where is the drain pipe going, and get a definitive suggestion from Willis Engineering by the next meeting to fix these issues.

5. **DISCUSS AND REVIEW ACTION PLAN FROM LRP FINANCE AND WATER/SEWER COMMITTEE FOR WTP PROJECT**

Rod Bond and John Walters provided a summary of the meeting with Stan Farmer, City Manager of the City of Horseshoe Bay and Jeff Koska, Utilities Director at the City of Horseshoe Bay. Mr. Farmer explained the City of Horseshoe Bay Council prefers voluntary annexation and not forced annexation. There are no plans to annex the District and the process would only begin if the District requested the City of Horseshoe Bay to annex the District. If annexation was requested they would prefer the MUD keep the plant. Rod explained the MUD is not the social voice of the community and we were only researching our options. Some advantages of annexation would be having a Police Department, the fire tax would go away, residents would be able to have access to the recycling center and utility rates would be in district instead of higher out of district rates.

One option the MUD is researching is purchasing water from the City of Horseshoe Bay at wholesale rates and continuing to handle the billing and distribution. Mr. Koska will put together a proposal for wholesale purchase and include the advantages and disadvantages of purchasing wholesale water. Another option is updating the water plant; Director Walters states if the MUD were going to need a million gallons per day the membrane plant would be cost-effective but because we only need 200,000 gallons per day a media filtration plant is cost-effective for the District.

Items to move forward with research are: Get a second opinion on the plant updates, proceed with electrical repairs at plant, and schedule plant visits. Director Bruce Lomax suggested controlling the scope of work by directing the study towards our major needs at the plant and not areas that do not need to be addressed currently.

6. **REVIEW JULY 2017 INVESTMENT AND FINANCIAL REPORTS**

Angela Thomas provided an update on the July 2017 investment and financial reports. The Board requested a proposal for the grinder reserve account be submitted at the September 29, 2017 meeting.

7. **REVIEW AND APPROVE TAX ASSESSOR/COLLECTOR REPORT AND CERTIFIED APPRAISAL ROLL**

Bruce Lomax made a motion to approve the Tax Assessor/Collector Report and Certified Appraisal Roll. Warner Tweed seconded the motion. All members present were in favor. Motion passed.

8. **APPROVE PROPOSED 2017-2018 BUDGET AND TAX RATE AND SET TAX RATE HEARING**

Angela Thomas presented the 2018 Proposed Tax Rate and Budget. Bruce Lomax made a motion to approve the proposal as presented and set the Tax Rate Hearing for 09/29/2017 @ 10:15 am. L.D. Stewart seconded the motion. All members present were in favor. Motion passed.

9. REVIEW AND CERTIFY POLICIES AND PROCEDURES MANUAL

Bruce Lomax made a motion to certify the Policies and Procedures as presented. John Walters seconded the motion. All members present were in favor. Motion passed.

John Walters states the District needs to setup a Disaster Plan and would like be involved in executing that plan. The Board was in agreement and requested Angela Thomas and John Walters put together a plan to present to the Board.

10. REVIEW EMPLOYEE MBO PROGRESS

Sharon Bowen and Angela Thomas provided an update on the MBO progress. The Goals are as follows:

Update Office Procedures Manual: Sharon Bowen and Angela Thomas had established a list of job duties and compiled a table of contents. The next step is to create the body of the manual.

Evaluate existing and possible software applications needs for website and directory: Software was evaluated and a spreadsheet was provided to the Board. Sharon Bowen has been testing software that is compatible with the website to establish a directory. She has sent out requests for updated address and contact information and has not received a reasonable response to complete the directory. The Board states the information available in our systems can be used for the Directory. The Directory is for Blue Lake use only and if a residence requests to be removed we will accommodate them. This will allow us to have a full Directory available by the end of the year.

GM receive training for Governmental Financing: Angela Thomas will be attending a Certificate Program in Public Finance from Texas Tech from October 23-27, 2017.

GM oversee Long Range Planning for the Water Treatment Plant: The Action Plan, which details the progress and deadlines of the Long Range Planning for the Water Treatment Plant was provided to the Board.

11. GENERAL MANAGER'S REPORT

Angela Thomas provided the General Manager's report. Tim Webb with TNA O&M repaired a copper line that was causing pressure problems on the return water line to the Golf Course, David Wuest, lives behind the Deerhaven lift station and requested the District put up green panels along the back of the fence, Tim Webb worked on two new sewer installations in Deerhaven. Terry Hinkle, electrician, replaced an old breaker, ordered the electric valves for the filters and is getting a quote together for a shut off sensor for the decant at the water plant. Sharon and Angela completed the Lead and Copper testing and are waiting for the results from TCEQ, and worked with the POA to itemize insurance coverage and locations, and permits and budgeting. Angela Thomas met Gary Gauci with Republic Services regarding recycling services. Mr. Gauci states it is not feasible for them to provide pick up recycling services but residents can bring their recycling to their center in Marble Falls for free. Sharon setup the Archive History for Payclix but will need to find a way to explain to customers how to register as it is a different site from where they pay. Linda Cowden from Deerhaven called about road repairs. Llano County will be seal coating the roads but need repairs done before they can put the coating on. Mrs. Thomas contacted Allied Asphalt and is waiting for a proposal.

12. COMMITTEE REPORTS

FINANCE & PLANNING-
LEGAL AFFAIRS-
STREETS AND LIGHTS/TRASH DISPOSAL-
WATER DISTRIBUTION SYSTEM –
SEWER SYSTEMS-

13. EXPENDITURES REQUIRING APPROVAL

None

14. EXECUTIVE SESSION

The Board went into executive session at 1:05pm to discuss employee evaluations. The session concluded at 1:11 pm.

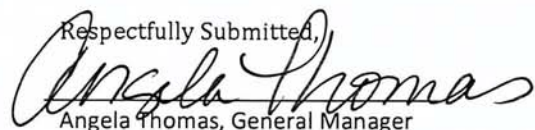
John Walters made a motion to approve the findings of the executive session. Warner Tweed seconded the motion. All members present were in favor. Motion passed.

15. NEW BUSINESS/OLD BUSINESS

16. SET DATE AND TIME FOR NEXT MEETING

The Tax Rate Hearing will be held on 09/26/2017 @ 10:15 am, and the next regularly scheduled meeting will be held 9/26/2017 at 10:30 am.

Warner Tweed made a motion to adjourn at 1:14 pm. L.D. Stewart seconded the motion. All members present were in favor. Motion passed.

Respectfully Submitted,

Angela Thomas, General Manager
Llano County MUD 1