

LLANO COUNTY MUD #1
BOARD OF DIRECTORS MEETING
7/26/2016

The Llano County Municipal Utility District #1 Board of Directors held a Regular Scheduled Meeting on July 26, 2016 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 Burton; and Engineer, Tony Plumlee

1. PLEDGE OF ALLEGIANCE

2. PUBLIC COMMENTS AND DISCUSSION

3. 2016 ROAD PROJECT UPDATE

Tony Plumlee with Willis Engineering provided an updated on the road project. A final walk through will be scheduled; currently the roadways are being hydro mulched. Mr. Plumlee recommends setting up a maintenance plan with an annual inspection of the roads and a five year program for re-sealing. The MUD currently has a Sealant Program but will discuss setting up an annual inspection plan. There are a few drainage issue concerns to be addressed and will be looked into further when the final punch list is put together with Warner Tweed, L.D. Stewart, Aaron Concrete and Willis Engineering. One of those issues is with the tree removal and solution to drainage concerns at Mr. Braeden's property.

Director Tweed requested an email be sent out to residents requesting they do not throw away the log rolls that are in place now to control erosion. These are in place due to LCRA regulations and cannot be removed until a representative with LCRA inspects the growth of grass and approved the removal of these logs. This can take several months or longer. Director Tweed also asked about the installation of the reflectors damaged on Packsaddle due to construction. Will the contractor take care of those reflectors? It is not in the contract, but will be put on the punch list to discuss. The Board discussed the need for the reflectors on the side roads and concluded that only the main roads need the reflectors and 2 to 3 people will be needed to install them.

Director Bond explained once the lien releases and the punch list are complete and, after his review, the retainage will be paid to the contractor.

4. DISCUSSION AND ACTION TO APPROVE THE MINUTES OF THE REGULARLY SCHEDULED BOARD MEETING HELD ON JUNE 28, 2016.

Director Tweed made a motion to approve the minutes of the regularly scheduled board meeting held on June 28, 2016. Director Lomax seconded the motion. All members present were in favor. Motion passed.

5. DISCUSS, REVIEW, AND POSSIBLE ACTION TO APPROVE CAPITAL OUTLAYS AND/OR PROJECTS

Angela Burton presented the Capital Outlay and Project report. Ms. Burton will setup a Long Range Planning meeting with Director Walters, Director Lomax and Tim Webb before the budget workshop on 08/23/16.

6. REVIEW AND POSSIBLE ACTION TO APPROVE ENGAGEMENT LETTER WITH SINGLETON, CLARK & CO.

Director Lomax moved to approve the engagement letter with Singleton, Clark & Company for the 2015-2016 Fiscal Year Audit. Director Tweed seconded the motion. All members present were in favor. Motion passed.

7. REVIEW AND POSSIBLE ACTION TO APPROVE COLLECTION CONTRACT BETWEEN LLANO COUNTY MUD #1 AND THE LLANO COUNTY TAX ASSESSOR-COLLECTOR

Director Lomax made a motion to approve the collection contract with the Llano County Tax Assessor-Collector. Director Bond seconded the motion. All members present were in favor. Motion passed.

8. REVIEW AND POSSIBLE ACTION TO APPROVE FRANK NETHERTON 2014 TAX REFUND

Director Bond moved to approve the 2014 tax refund for Frank Netherton. Director Tweed seconded the motion. All members present were in favor. Motion passed.

9. REVIEW PRELIMINARY APPRAISAL TOTALS AND 2016 TAX RATE DISCUSSION

The Board reviewed the preliminary appraisal totals and discussed the 2016 Tax Rate. The tax rate will be entered with a .02 cent decrease for discussion at the budget workshop and use of the 2016-2017 Fiscal Year Budget.

10. 2016-2017 BUDGET OVERVIEW

The Board reviewed the 2016-2017 Fiscal Year budget proposal submitted by General Manager, Angela Burton. The budget workshop will be based on a .02 cent decrease in the tax rate and use of the General & Administrative (G&A) Cost Recovery from the Sewer Fund to the General Fund. Ms. Burton will need to research increases to the sewer rate and notification regulations. The Board will review the rates with and without change and take into account the capital costs and surplus.

11. QUARTERLY FINANCIAL AND INVESTMENT REPORT

Director Lomax made a motion to approve the Quarterly Investment Report. Director Walters seconded the motion. All members present were in favor. Motion passed. Director Tweed made a motion to approve the Quarterly Financial Reports. Director Walters seconded the motion. All members present were in favor. Motion passed. Director Bond made a statement to increase the committed funds on the road sealant program for the 2016-2017 Fiscal Year.

12. GENERAL MANAGER'S REPORT

Angela Burton provided a verbal General Manager's Report.

13. COMMITTEE REPORTS

FINANCE & PLANNING-

LEGAL AFFAIRS-

STREETS AND LIGHTS/TRASH DISPOSAL- Warner Tweed explained the need to get a roll off dumpster instead of extra dumpsters for July 4th Holiday next year. People are leaving trash around the dumpsters and they are filling up and overflowing fast. His suggestion is an open roll off dumpster next year.

WATER DISTRIBUTION SYSTEM-

SEWER SYSTEMS- Director Lomax provided information regarding the return water line issues the Golf Course has been experiencing, the entities involved, the history, and the responsibilities of each entity. Director Lomax explained that in 1996 Llano County MUD #1 (MUD) and the City of Horseshoe Bay (HSB), at the time Lake LBJ MUD, contracted for 40 years for HSB to treat the MUD's sewage. The Blue Lake POA (POA) recognized the incentive of this contract to use the effluent to water the golf course. The POA got a 154k, 10 year loan and charged the golf course installments so the POA could pay the MUD to install the return water line. The MUD invested 250k in the HSB Sewer Treatment Facility and was guaranteed sewer treatment of 80 gallons per day per the 40 year contract. The MUD pays HSB on a monthly basis to treat the sewage. The MUD is responsible from the HSB Treatment Facility up to the entry line at the golf course; HSB is responsible for the quality of effluent they provide.

14. EXPENDITURES REQUIRING APPROVAL

15. EXECUTIVE SESSION – PERSONNEL REVIEWS

Executive Session began at 1:25 pm and Concluded at 1:50 pm

The Board reviewed, approved and support, the Employee Evaluation provided by General Manager, Angela Burton for Administrative Assistant, Sharon Bowen. Ms. Bowen will receive an increase as approved by the Board beginning on the anniversary date of 7/1/2016.

16. NEW BUSINESS/OLD BUSINESS

Ms. Bowen will present an update on the AMR Project at the 08/30/16 meeting.

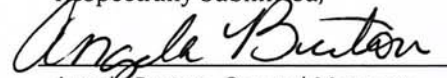
17. SET DATE AND TIME FOR NEXT MEETING

A Budget Workshop is scheduled for 08/23/16 at 10:30 am and a Regular Meeting is scheduled for August 30, 2016 at 10:30 am.

Director Bond explained a need to reschedule the regular meeting in September due to the tax hearing and he is unavailability on that day. The Board agreed to schedule the September Tax Hearing for 10:15 am and Regular Meeting at 10:30 am on 09/22/16.

Director Tweed made a motion to adjourn at 2:00 pm. Director Lomax seconded the motion. All members were in favor. Motion passed.

Respectfully Submitted,



Angela Burton, General Manager
Llano County MUD 1