

LLANO COUNTY MUD #1
BOARD OF DIRECTORS MEETING
9/26/2017

The Llano County Municipal Utility District #1 Board of Directors held a Regular Scheduled Meeting on September 26, 2017 at 10:30 a.m., at the District Office.

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

Board member(s) absent: John Walters

Also present were General Manager, Angela Thomas, TNA O&M Operator, Tim Webb and Willis Engineering, Tony Plumlee

1. **PLEDGE OF ALLEGIANCE**

2. **PUBLIC COMMENTS AND DISCUSSION**

No public comment

3. **APPROVED PROPOSED 2017-2018 BUDGET AND TAX RATE**

Bruce Lomax made a motion to approve the 2018 Budget and tax rate.

\$.1170 for the purpose of **Debt Service Payments**
\$.0791 for the purpose of **Operation and Maintenance**
\$.1000 for the purpose of Fire Service
\$.2961 **Total Tax Rate**

Of which, \$.0674 has been allocated to the General Fund and \$.0117 to the Streets & Lights Fund. Warner Tweed seconded the motion. All members present were in favor. Motion passed.

4. **APPROVE REVISED 2016-2017 BUDGET**

Warner Tweed made a motion to approve the 2017 revised budget as presented. Bruce Lomax seconded the motion. All members present were in favor. Motion passed.

5. **UPDATE FROM M&O CONTRACTOR**

Operator Tim Webb with TNA Operations & Management provided an update on the Sewer and Water System.

- Sandy Harbor and Deerhaven Lift Station pumps have been repaired and will be installed by 09/30/17.
- Getting pricing for green weave panels for the fence at the Deerhaven Lift Station. The Board states to price for all perimeters of the fence and not just the back.
- Sewer leak in Sandy Harbor on Granite Shoals Dr. due to fence contractor hitting line. The line was on the homeowner's property past the easement and an agreement was made to move the fence back a foot and half so the MUD can access the line in the future. The Board commented to update the Sandy Harbor sewer map.
- LAS Chemical Pump was replaced at the water treatment plant.
- The electrician has been changing out two electric actuator valves and preparing a proposal for the shut off sensor on the decant tank.
- The leak at 3702 Packsaddle will be repaired 09/27/17. Notification was sent to residents that will be affected that water will be turned off from 10-1 to repair the leak.
- Looking for a contractor to repair and level the weirs on the clarifiers.

6. **DISCUSSION AND ACTION TO APPROVE THE MINUTES OF THE REGULARY SCHEDULED BOARD MEETING HELD ON AUGUST 29, 2017**

Bruce Lomax made a motion to approve the minutes as presented for the meeting held on August 29, 2017. Warner Tweed seconded the motion. All members present were in favor. Motion passed.

7. **DISCUSS REMAINING ROAD DRAINAGE ISSUES**

Tony Plumlee with Willis Engineering submitted plans for drainage issues in two areas. Mr. Plumlee states they located a 12 inch drain pipe that will handle a 25 to 100 year flood event and believes that by using a maintainer to put in a bar ditch starting at the location he water flows across the road through/between the two driveways without culverts to get the water to flow to this pipe will alleviate the drainage issues on Packsaddle. For concerns on Golf Course Drive, the proposal was to put in a bar ditch across the street and a berm. After review and discussion by the Board, there were concerns that the proposal would not fix all the issues and Mr. Plumlee, L.D. Stewart and Warner Tweed agreed to meet to view the properties and discuss the plans further.

The Board requested a final proposal with cost estimates be presented at the next board meeting.

8. **REVIEW AUGUST 2017 INVESTMENT AND FINANCIAL REPORTS**

Angela Thomas provided an update on the August 2017 investment and financial reports. Warner Tweed made a motion to assign \$7,618 to the road seal program in the Streets & Lights Fund. L.D. Stewart seconded the motion. All members present were in favor.

9. **GENERAL MANAGER'S REPORT**

Angela Thomas provided the General Manager's report. The Interim-Fieldwork with the Auditor was done on 09/16/17 and the Final Fieldwork was scheduled for 1/10/18 to 01/12/18 to have the audit presented at the 02/27/18 meeting. Allied Asphalt will be doing road repairs for road cuts, done for new sewer and water installations, in Blue Lake and Deerhaven 09/25/17 to 09/28/17.

The Golf Course is continuing to have problems with the quality of the effluent water from Horseshoe Bay. The Golf Course Greenkeeper, Kevin Thompson met with Tim Webb and several Golf Board members came into the office asking about ways to resolve some of the issues with solids clogging their sprinklers on their side. The City of Horseshoe Bay will not be replacing their effluent filters for a few years, so the Golf Course will continue to have this problem.

Rod Bond presented the Grinder Reserve Report and explained the proposed Annual Planning Scenario for reserves to be set by the following guidelines: ☉ Set annual grinder pump budget as last 5 years' average. ☉ Set reserves at high point over last 10 years' less current annual grinder pump budget each September. Using these guidelines the Fiscal Year 2018 Grinder Budget would be \$50,210. The reserves total would be \$107,030 less \$50,210 equals a reserve of \$56,820. Our current reserve balance is \$135,568; this would transfer \$78,748 to unassigned funds. Bruce Lomax made a motion to accept these guidelines for the Grinder Reserve account. Warner Tweed seconded the motion. All members present were in favor. Motion passed.

10. **COMMITTEE REPORTS**

FINANCE & PLANNING-

LEGAL AFFAIRS-

STREETS AND LIGHTS/TRASH DISPOSAL-Discuss Signs & Roadway Mtc.: Angela Thomas explained there have been complaints about signs being faded or not straight in the community. The Street and Light Committee will look at which signs need to be replaced or straightened. There was also discussion of maintaining the roadways. Warner Tweed states he will determine which areas need weed eating and spraying and will have the contractor handle those areas only. It should be done three times per year and he will locate those areas after the roadways are mowed this weekend by Chris Scott. Warner Tweed states he wants to have the growth around corners and curves trimmed back each spring. L.D. Stewart made a proposal to the Board to approach the Blue Lake Estates Property Owner's Association about transferring ownership of the tractor. After discussion by the Board it was agreed that L.D. Stewart and Warner Tweed can discuss this with the BLEPOA and bring the results back to the Board.

WATER DISTRIBUTION SYSTEM- Discuss Water Rates: Rod Bond presented the Water Rate Comparison Chart and explained the base rate is higher than most but that is due to larger cities having the population to spread the cost. The MUD is a small seasonal district. We need a higher base rate due to half the District using less than 3,000 gallons; this not does allow us to recover costs based on usage. Mr. Bond explained to recover the operating costs; we would need to increase the rates by 25%. That increase would be too much to impose in one year. The District has not increased rates in 7 years, if we had increased rates by 1.7% per year we would be recovering 12% (half) at this point. Mr. Bond suggests raising rates in increments annually, and will supply a report at the next Board meeting of his proposal.

SEWER SYSTEMS-

11. **EXPENDITURES REQUIRING APPROVAL**

None

12. **EXECUTIVE SESSION**

13. **NEW BUSINESS/OLD BUSINESS**

14. **SET DATE AND TIME FOR NEXT MEETING**

The next regularly scheduled meeting will be held 10/24/2017 at 10:30 am.

Warner Tweed made a motion to adjourn at 12:56 pm. L.D. Stewart seconded the motion. All members present were in favor. Motion passed.



Respectfully Submitted,

Angela Thomas

Angela Thomas, General Manager
Llano County MUD 1