

**LLANO COUNTY MUD #1**  
**BOARD OF DIRECTORS MEETING**  
**11/22/2016**

The Llano County Municipal Utility District #1 Board of Directors held a Regular Scheduled Meeting on November 22, 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 Thomas; Tony Plumlee, Willis Engineering

**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 OCTOBER 25, 2016**

Bruce Lomax made a motion to approve the minutes as presented for the meeting held on October 25, 2016. Rod Bond seconded the motion. All members present were in favor. Motion passed.

**4. REVIEW AND APPROVE EMERGENCY WATER INTERCONNECTION CONTRACT**

L.D. Stewart made a motion to approve the Emergency Water Interconnection Contract with the City of Horseshoe Bay as per rates described for the dates of January 1, 2017 through December 31, 2021. Warner Tweed seconded the motion. All members present were in favor. Motion passed.

**5. REVIEW THE NOVEMBER INVESTMENT AND FINANCIAL REPORTS**

Rod Bond made a motion to approve the November investment and financial reports as presented. Warner Tweed seconded the motion. All members present were in favor. Motion passed.

**6. REVIEW BUDGET REVISIONS FOR THE 2015-2016 FISCAL YEAR**

Rod Bond reported on the budget revisions for the 2015-2016 fiscal year. General Fund revisions to the income were due to refunds for previous tax years. The miscellaneous revenue budget needs to be revised from \$14,592 to \$14,000 to be compliant with our budget due to a POA payment posted in the wrong year. Expense changes due to the addition of capital outlays totaling \$2,997. Bruce Lomax made a motion to amend the 2015-2016 fiscal year budget for the miscellaneous revenue in the General Fund from \$14,592 to \$14,000. L.D. Stewart seconded the motion. All members present were in favor.

Street & Light Fund Revenue changes due to less in permits and refunds of a previous tax year. No changes were made to the expenses. Tax & Debt had lower investment earnings refunds for previous tax years in the income. The expenses were less, due to an interest deposit from the bonds that was put towards the bond when it came due. These funds are government funds that the auditor's look at line items and the MUD is in good shape based on these financials. The Sewer Fund had a large savings due to less expense on grinder repairs and replacements; with an overall profit of \$39k. The Board requested a trend report by year for the last 5-6 years be provided at the January 2017 meeting. Water & Garbage fund had a 10K positive increase in water sales. Mr. Bond does not believe there is a basis to change rates at this time.

**7. DISCUSS AND REVIEW CAPITAL OUTLAY PROJECTS**

John Walters and Angela Thomas informed the Board of a meeting 11/21/16 with Darrell Mize with Smith Pump, and Tim Webb with TNA O&M regarding the lift station mixers. Mr. Mize explained the increase in the quote provided for Eradigator mixers ordered for the lift stations. Mr. Mize explained the initial quote was on the Sandy Harbor lift station only. Mr. Mize came out with the representative with Eradigator to verify the motor and installation specifications. Mr. Mize stated the Deerhaven lift station will require a larger motor and, because of the rectangular base, he recommends the addition of a nozzle to the mixer to reach the corners and circulate the sludge blanket more efficiently.

John Walters made a motion to increase the mixer budget from \$35,000 to \$38,000 as requested and to add a ceiling of \$40,000. Bruce Lomax seconded the motion. All members present were in favor. Motion passed.

**8. GENERAL MANAGER'S REPORT**

Angela Thomas presented the General Manager's report. Mrs. Thomas states the website is being constructed with the web designer and should be completed by the end of December 2016. A newsletter is being drafted by Sharon and Angela to send regarding payclix, update on the state of the MUD, explanation of the AMR installations and information about the updated website which is expected to be sent out by the January 31<sup>st</sup>. Bruce Lomax requested an update at the January 2017 meeting on the performance of the Liberty Pump installs and requested the remaining 3 air release valves be ordered and installed. Upcoming items to be addressed will be updating the newsletter to read as first time notice of Payclix, a contract with Willis Engineering with the scope of work and fees outlined, and a policy review for signing off on contracts and re-imbursements.

9. **COMMITTEE REPORTS**

FINANCE & PLANNING-

LEGAL AFFAIRS-

STREETS AND LIGHTS/TRASH DISPOSAL- Tony Plumlee with Willis Engineering discussed the drainage issues on Blue Rock and Blue Waters. Mr. Plumlee recommends installing a culvert on Blue Rock and go back 200ft and have road sloped on Blue Waters to have it sheet flow across the road and into the drain. Another suggestion for Blue Waters is to look at putting in raised ribbon curbing to direct the flow of storm water to the drain. Rod Bond asked Mr. Plumlee to put together options for both trouble areas and cost estimates to present to the Board for approval so we can move forward with correcting these drainage issues.

WATER DISTRIBUTION SYSTEM-

SEWER SYSTEMS-

10. **EXPENDITURES REQUIRING APPROVAL**

None

11. **EXECUTIVE SESSION**

The regular meeting suspended at 12:41 pm for an executive session to review the Management by Objectives for employees Angela Thomas and Sharon Bowen. The session adjourned at 1pm and the results of the objective were reviewed with Angela Thomas. The Board states the objective #1 to utilize the RVS software to its potential and objective #2, to implement a uniform Building Permit process, were met at 100% as a group, and objective #3, to setup a user friendly website, will be determined by Rod Bond at 100% if the MUD portion is completed by December 31<sup>st</sup>. Items the Board would like to be addressed in the future are to verify the report totals in RVS, make sure the budget income is uniform, the same percentage over the funds in the same months and to move G&A recovery expenses on a quarterly basis to the General Fund from the Sewer Fund.

12. **NEW BUSINESS/OLD BUSINESS**

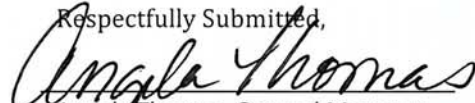
None

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

The next regularly scheduled meeting will be held 1/24/2017 at 10:30 am.

Warner Tweed made a motion to adjourn at 1:10 pm. John Walters seconded the motion. All members present were in favor. Motion passed.

Respectfully Submitted,



Angela Thomas, General Manager  
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