

GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 12

Regular Meeting

August 19, 2019

The Board of Directors (Board) of the Galveston County Municipal Utility District No. 12 (District) convened for a **Regular Meeting, August 19, 2019** that was open to the public, at 6:00 p.m. at the District's Office located at 2929 Highway 6, Bayou Vista, Texas. A quorum of the Directors was present.

Position 1	Richard Matthews, President	Present
Position 3	Eric Moeller, Vice President	Absent
Position 4	Robert Bassett, Secretary/Treasurer	Present
Position 5	Assistant Secretary/Treasurer	Vacant
Position 2	Roger Domingue, Director	Present

In attendance: Omega Bay residents: D J Matthews, Danny & Darlene Barnes,; Bayou Vista residents: Richard White, Carrie Wortham and Louis Wortham; Bill Rackley and Tom Matkin with AEI Engineering; Lydia Cook-District's Accountant; Operator -Randy Ward and Sharon Ballard-Secretary to the Board.

1. **Call the meeting to order.**

President Richard Matthews called the meeting to order at 6:00 p.m.

2. **First order of business.**

Announcement by the President of the presence of a quorum, that the meeting was duly called, and the notice of the meeting was posted in the manner prescribed by law.

President Matthews announced the presence of a quorum, that the meeting was duly called and the notice of the meeting was posted in the manner prescribed by law. The Pledge of Allegiance and a prayer was said.

3. **Public Comments-agenda items only.**

There were no comments.

4. **Consider Minutes and other records of previous Board of Director meetings, including but not limited to:**

a) **Regular Meeting of July 15, 2019.**

b) **Budget Workshop Meeting of August 5, 2019;**

Bob Bassett made a motion to approve the minutes of the Regular Meeting of July 15, 2019 and the Budget Workshop Meeting of August 5, 2019.

Roger Domingue seconded the motion.

Motion carried with all in favor.

5. **Consider Approval of Smoking Ordinance for District Facilities.**

Mr. Matthews read from the minutes January 31, 2007 in which a motion was made designating the MUD No. 12 Building a smoke-free environment effective February 4, 2007. The Board decided to post more No Smoking signs and to enforce said designation. It was suggested that those wanting to smoke could do so in the adjacent parking lot.

6. **Bookkeeper's Report, including consideration of the following:**

- a) **Ratify the payment of the principal and interest payment in the amount of \$186,387.50 to the Bank of New York Mellon for the Unlimited Tax Bond Series 2014 due September 1, 2019;**
- b) **Ratify the payment of the interest payment in the amount of \$31,077.08 to the Bank of New York Mellon for the Unlimited Tax Bond Series 2019 due September 1, 2019;**
- c) **Financial Statement and Investment Report for July 2019 and**
- d) **Bank transfers;**
- e) **Payment of monthly bills.**

Lydia Cook reviewed the financial statement with the Board.

Bob Bassett made a motion to ratify the payment of the principal and interest payment in the amount of \$186,387.50 to the Bank of New York Mellon for the Unlimited Tax Bond Series 2014 due September 1, 2019 and the payment of the interest payment in the amount of \$31,077.08 to the Bank of New York Mellon for the Unlimited Tax Bond Series 2019 due September 1, 2019, the Financial Statement and Investment Report for July 2019, bank transfers; and the payment of monthly bills.

Roger Domingue seconded the motion.

Motion carried with all in favor.

7. **Consider and possible approval of closed accounts with unpaid balances to be written off this fiscal year.**

Roger Domingue made a motion to approve the writing off of closed accounts with unpaid balances totaling \$306.11 in this fiscal year.

Bob Bassett seconded the motion.

Motion carried with all in favor.

8. **Discuss and possible approval of the Operating Budget for fiscal year 2019/2020 commencing October 1, 2019.**

Lydia reviewed the Operating Budget with the Board. The requested changes had been made. An addition cost to replace the office computers will be included which will use up the excess \$5,000, resulting in a breakeven budget. This does include a \$30,000 line item for the purchase of a new truck for the District. Lydia is consulting with Mark Eyring, the District's auditor regarding the posting the ability to post the truck in the 2018/2019 year or having to post the expense in the 2019/2020 budget.

Bob Bassett made a motion to approve the Operating Budget for fiscal year 2019/2020 commencing October 1, 2019.

Roger Domingue seconded the motion.

Motion carried with all in favor.

9. **Consider Tax Rate recommendation for 2019 Tax Year and approve all matters related thereto, including the publishing of the Notice of Public Hearing Meeting on the Proposed Tax Rate.**

Lydia reviewed the proposed tax rate of \$0.223047/\$100 with the Board. The Public Hearing will be held on September 16, 2019 at 6:00 p.m. prior to the Regular Meeting.

Roger Domingue made a motion to approve the proposed tax rate recommendation of \$0.223047/\$100 for 2019 Tax Year and approve all matters related thereto, including the publishing of the Notice of Public Hearing Meeting on the Proposed Tax Rate.

Bob Bassett seconded the motion.

Motion carried with all in favor.

10. **Operator's Report, including consideration of the following:**

- a) **Water Treatment Plant and Wastewater Treatment Plant status, including repairs and maintenance, Well Usage Report and Discharge Monitoring Report;**
- b) **Status of District assets including Vehicle Maintenance Report;**
- c) **Recommendation for service orders and status of outstanding service orders;**
- d) **Recommendation for account services, including disconnection of accounts.**

Randy Ward reviewed the Operator's Report with the Board. The Board decided they will seek bids for a new contractor to handle the clarifier project, as they have not been pleased with R & B Group. The purchase of a new vehicle was discussed. Mr. Bassett noted that Randy has been unable to take vacation time this year due to him needing to be on top of the Wastewater Treatment Plant Project 24/7. The District has a use it or lose it policy concerning vacation time. He noted there may need to be an exception made in this instance.

Bob Bassett made a motion to proceed with the purchase of a new vehicle for the District.

Roger Domingue seconded the motion.

Motion carried with all in favor.

Roger Domingue made a motion to approve the Operator's Report, including consideration of the following: Water Treatment Plant and Wastewater Treatment Plant status, including repairs and maintenance, Well Usage Report and Discharge Monitoring Report; Status of District assets including Vehicle Maintenance Report; recommendation for service orders and status of outstanding service orders and the recommendation for account services, including disconnection of accounts.

Bob Bassett seconded the motion.

Motion carried with all in favor.

11. Engineer's Reports

Approve pay estimates and change order, approve easements, authorize advertisements for bids and approve recommendation of award and contracts as necessary.

Bill Rackley reviewed the Engineer's Report with the Board. Tom Matkin addressed the Board in regards to a possible rate increase which AEI has requested.

Bob Bassett made a motion to approve the increase of rates by AEI Engineering beginning Octpber 1, 2019.

Roger Domingue seconded the motion.

Motion carried with all in favor.

12. Attorney's Report.

Mr. Bacon was not in attendance.

13. Public comments.

Carrie Wortham commented on the vacancy on the Board and problems with the District's Engineering firm such as cost overruns and change orders. Mr Matthews addressed her concerns regarding the vacancy on the Board and Mr. Bassett commented on her statements in regards to the Engineering firm.

14. Other matters that may come before the Board.

There were no other matters.

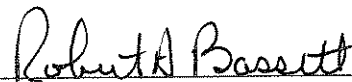
15. Adjournment.

A motion was made to adjourn and unanimously carried, the Board adjourned at 6:55 p.m.

Respectfully Submitted,
Sharon Ballard



Richard Matthews, President



Robert Bassett, Secretary/Treasurer