

GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 12

PUBLIC HEARING/REGULAR CALLED MEETING

September 30, 2020,

The Board of Directors (Board) of the Galveston County Municipal Utility District No. 12 (District) convened for a **Public Hearing/Regular Called Meeting, September 30, 2020**, 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 2	Eric Moeller, Vice President	Present
Position 4	Newman Sharp, Secretary/Treasurer	Present
Position 5	Director	Vacant
Position 3	Assistant Secretary/Treasurer Present	Vacant

In attendance: Omega Bay residents-D.J. Matthews, Georgia Sharp, Robert Michetich and D. Barnes
Bayou Vista residents- Gretchen Schroeder, Ray Adams, Javier Bernal, Carrie Wortham, Lou Wortham, Megan Marsh, Sigrun Burke, David Macaluso, Leah Macaluso, Ray Stowe, Tess Stowe, Andrea Hoover, Shelby Dill and Barbie Miller, Harry Finley, Colleen Bevans, Shari Forrester, Lisa Swackhammer and Robert Young; Lydia Cook- District Accountant; Bill Manning- District Engineer; Nathan White, Mike Curran and Wendy Rambin- TOPS District Operator-Sharon Ballard-Secretary to the Board.

1. Call the meeting to order.

President Richard Matthews called the meeting to order at 6:01 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.

Mr. Bacon made an announcement that Roy Menotti was no longer a member of the Board. He indicated the Board would discuss this further in Executive Session.

3. Public Comments-agenda items only.

Items which the public commented on were:

1. Directors Fees on the 2021 Budget
2. Support of Petition
3. The closure of the previous meeting before citizens were given an opportunity to speak at the end of the meeting
4. Army Corp of Engineers

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

a) Regular Meeting- August 17,2020

Newman Sharp made a motion to approve the minutes for the Regular Meeting of August 17, 2020.

Ray Cruse seconded the motion.

Motion carried with all in favor.

5. Consider matters relating to 2020 tax rate, including:

- (a) Conduct Public Hearing
- (b) Adopt Order Setting 2020 Tax Rate
- (c) Approve Amendment to Information Form.

Mr. Matthews conducted the Public Hearing. The tax rate as posted would be \$0. 213237. The public was asked if there were any comments regarding the tax rate. There were none.

Newman Sharp made a motion to adopt the Order Setting the 2020 Tax Rate.

Ray Cruse seconded the motion.

Motion carried with all in favor.

Newman Sharp made a motion to approve the Amendment to Information Form.

Ray Cruse seconded the motion.

Motion carried with all in favor.

6. Consider the Resolution Adopting the Operating Budget for fiscal year 2020/2021 commencing October 1, 2020.

Eric Moeller made a motion to adopt the Operating Budget for fiscal year 2020/2021 commencing October 1, 2020.

Ray Cruse seconded the motion.

Motion carried with all in favor.

7. Investment matters, including:

- (a) Adopt Order Regarding Annual Review of Rules, Policies and Code of Ethics for the Investment of District Funds.

Ray Cruse made a motion to adopt the Order Regarding Annual Review of Rules, Policies and Code of Ethics for the Investment of District Funds.

Newman Sharp seconded the motion.

Motion carried with all in favor.

8. Consider not accepting the Army Corps of Engineers' Section 206 Award.

Mr. Matthews explained the reason for the District not accepting the Army Corps of Engineer's Section 206 Award.

Newman Sharp made a motion that the District does not accept the Army Corp's of Engineer's Section 206 Award.

Eric Moeller seconded the motion.

Motion carried with all in favor.

9. **Bookkeeper's Report, including consideration of the following:**
a) **Financial Statement and Investment Report for August 2020.**
b) **Bank transfers**
c) **Payment of monthly bill.**

Newman Sharp made a motion to accept the transfers as proposed by Lydia Cook.

Ray Cruse seconded the motion.

Motion carried with all in favor.

Newman Sharp made a motion to accept the Financial Statement and Investment Report for August 2020.

Ray Cruse seconded the motion.

Motion carried with all in favor.

10. **Consider the annual letter of engagement:**

- (a) **Accountant.**

Eric Moeller made a motion to accept the annual letter of engagement of the Accountant-Whitley Penn.

Ray Cruse seconded the motion.

Motion carried with all in favor.

11. **Consider the Inter-local and Lease Agreement between the District and the City of Bayou Vista.**

The rent for the City of Bayou Vista will remain at \$1,550.00 per month until September 30, 2023 at which time they may invoke the 2-year extension at a cost of \$1,650.00 per month.

Newman Sharp made a motion to accept the Inter-local and Lease Agreement between the District and the City of Bayou Vista.

Ray Cruse seconded the motion.

Motion carried with all in favor.

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

- a) **Operations, repairs, and maintenance of District facilities**
b) **Connection Activity**
c) **Water production and accountability**
d) **Regulatory Matters and**
e) **Recommendations for account services, including disconnection of accounts**
f) **Discussion regarding tours of the plant.**

Nathan White with TOPS reviewed the Operator's Report with the Board.

Newman Sharp made motion to approve the Operator's Report including the Operations, repairs and maintenance of District facilities, connection activity, water production and accountability, regulatory matters, and Recommendations for account services, including disconnection of accounts.

Eric Moeller seconded the motion.

Motion carried with all in favor.

13. **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 Manning reviewed the Engineer's Report with the Board. He proposed to the Board to appoint a committee to find other funding mechanisms once projects are determined. R Eric Moeller made a motion to approve the Engineer's Report.

Newman Sharp seconded the motion.

Motion carried with all in favor.

Eric Moeller made a motion to approve Ray Cruse and Newman Sharp to form a committee to locate funding for projects.

Newman Sharp seconded the motion.

Motion carried with all in favor.

14. **Discuss the AWBD mid-winter conference to be held in Austin, Texas-Friday- January 29th thru Saturday, January 30, 2021.**

Mr. Matthews briefly spoke about the mid-winter conference he and Mr. Moeller had attended. He indicated he would not be attending and for the other Board members to notify the office if they should want to attend.

15. **Attorney's Report**

Mr. Bacon spoke about the uptick in Open Records request his office has been receiving. His office has responded to a request from the TCEQ crime unit. He continues to work with the Public Utility Commission

16. **Residents' Petition**

Sharri Forrester read the Resident's Petition.

17. **Public comments**

1. Tops was commended on the job they are doing although there appears to still be solids coming out of the effluent pipe.
2. Support for Javier Bernal to become a Board member and a request for Mr. Matthews to resign.
3. The odor from the plant must still be addressed
4. Question concerning the family relationship of Mr. Menotti and Mr. Cruse. Mr. Bacon addressed this issue.
5. Support for Mr. Matthews.

18. **Other matters that may come before the Board**

There were no other matters discussed.

The Board took a 10-minute break before convening into Executive Session.

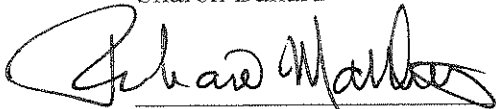
19. Executive Session.

The Board retired into Executive Session to discuss legal matters at 7:25 p.m.

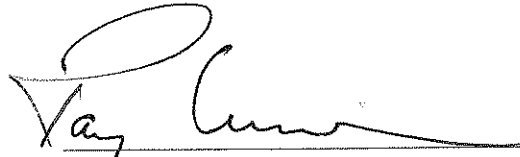
20. Adjournment.

The Board adjourned at 9:05 p.m.

Respectfully Submitted,
Sharon Ballard



Richard Matthews, President



Ray Cruse, Secretary/Treasurer