

GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 12

REGULAR CALLED MEETING

August 17, 2020

The Board of Directors (Board) of the Galveston County Municipal Utility District No. 12 (District) convened for a **Regular Called Meeting, August 17, 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	Roy Menotti, Director	Present
Position 3	Assistant Secretary/Treasurer Present	Vacant

In attendance: Bayou Vista residents- Tommy Hansen, John Thomas, Anne Thomas, Jeff Campbell, Javier Bernal, Carrie Wortham, Lou Wortham, Megan Marsh, Sigrun Burke, Shelby Dill and Barbie Miller, Mike McGee, Pat Adams, Harry Finley, Colleen Bevans, Shari Forrester, John Walsh, Lisa Swackhammer, Claudia Kaiser, Pete VanBeek, Robert Young, Richard White; Omega Bay residents-D.J. Matthews, Georgia Sharp and Sam Farrell, Bill Skinner and Vince Cavarretta Kim Cavarretta; Bill Manning- District Engineer; Nathan White 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.

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

Mr. Matthews discussed the reason for the necessity of the posting of the Hazardous Waste sign at the MUD Building.

Public comments items were:

1. Budget items regarding the Directors Fees
2. The selling of the District vehicles and backhoe
3. Canal Project
4. TCEQ Potential Violations
5. The dredging authority of MUD or lack thereof
6. The dissolution of MUD #12

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

a) **Regular Meeting- July 20,2020**

b) **Special Called -Budget Workshop Meeting- August 4, 2020.**

Roy Menotti made a motion to approve the minutes for the Regular Meeting of July 20, 2020 and Special Called -Budget Workshop Meeting- August 4, 2020.

Newman Sharp seconded the motion.

Motion carried with all in favor.

5. Consider the appointment of new Director to fill the Position 3 vacancy on the Board
- (a) Administer Oath of Office
 - (b) Execute Statement of Officer
 - (c) Execute Affidavit of Director
 - (d) Reconstitute Board of Directors
 - (e) Approve the filing of Amended District Registration Form.

Newman Sharp made a motion to approve the appointment of Ray Cruse to fill the Position 3 vacancy, approve the Oath of Office, Statement of Officer and the Affidavit of Director for Ray Cruse, Jr.

Roy Menotti Seconded the Motion.

Motion carried with all in favor.

Roy Menotti Seconded the Motion.

Motion carried with all in favor.

The Board discussed the reconstituting of the Board. It was decided that Mr. Matthews would remain President. Mr. Moeller would remain Vice-President. Ray Cruse would become the Secretary/ Treasurer. Newman Sharp would be the Assistant Secretary/ Treasurer. Roy Menotti would be a Director.

Eric Moeller made a motion to approve the reconstituting of the Board and the filing of the Amended District Registration Form.

Roy Menotti seconded the motion.

Motion carried with all in favor.

6. Bookkeeper's Report, including consideration of the following:
- a) Ratify the payment of the principal \$55,000.00 and interest payment \$46,615.63 in the amount of \$101,615.63.00 to the Bank of New York Mellon for the Unlimited Tax Bond Series 2019 due September 1, 2020
 - b) Financial Statement and Investment Report for July 2020 and
 - c) Bank transfers
 - d) Payment of monthly bills.

Lydia reviewed the Financials with the Board.

Roy Menotti made a motion ratify the payment of the principal \$55,000.00 and interest payment \$46,615.63 in the amount of \$101,615.63.00 to the Bank of New York Mellon for the Unlimited Tax Bond Series 2019 due September 1, 2020 to approve the Financial Statement, Investment Report, bank transfers and the payment of the monthly bills.

Newman Sharp 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.**

Roy Menotti made a motion to approve writing off closed accounts with unpaid balances this fiscal year.

Newman Sharp seconded the motion.

Motion carried with all in favor.

8. **Discuss and possible approval of the Operating Budget for fiscal year 2020/2021 commencing October 1, 2020.**

Lydia Cook reviewed the draft of the Operating Budget for fiscal year 2020/2021. The final draft will be presented at the next meeting for approval.

9. **Consider Tax Rate recommendation for 2020 Tax Year and approve all matters related thereto, including the publishing of the Notice of Public Hearing Meeting on the Proposed Tax Rate.**

Lydia Cook reviewed the recommendation for the Proposed Tax Rate for year 2020.

Newman Sharp made a motion to approve the Proposed Tax Rate of \$0.213237 and the publishing of the Notice of Public Hearing Meeting on the Proposed Tax Rate.

Ray Cruse seconded the motion.

Motion carried with all in favor.

10. **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.

Roy Menotti 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.

Newman Sharp 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 Manning reviewed the Engineer's Report with the Board.


Roy Menotti made a motion to approve the Engineer's Report.

Ray Cruse seconded the motion.


Motion carried with all in favor.

12. Canal Project Update
Mr. Matthews reviewed the Canal Project Update information. Citizens voiced their concerns. The meeting became contentious. Mr. Bacon suggested the meeting be adjourned.
13. Communication Project Update
There was not update.
14. Consider Record Retention Policy
A Record Retention Policy was not presented to the Board.
15. Attorney's Report
Mr. Bacon did not present an Attorney's Report
16. Public comments
The public made comments during item # 12.
17. Other matters that may come before the Board
There were no other matters discussed.
18. Adjournment.
Roy Menotti motion was made to adjourn with Newman Sharp seconding the motion which unanimously carried; the Board adjourned at 8:15 p.m.

Respectfully Submitted,
Sharon Ballard



Richard Matthews, President



Ray Cruse, Secretary/Treasurer