

Kingsland Municipal Utility District  
P. O. Box 748  
Kingsland, Texas 78639

February 24, 2020

Regular Meeting

The Board of Directors of said District convened at the office of Kingsland Municipal Utility District, Kingsland, Texas, at 9:00 a.m. on the 24<sup>th</sup> day of February, 2020, pursuant to notice duly given in accordance with Section 49.063 of the Texas Water Code and the Open Meetings Act, Chapter 551, Texas Government Code. The following Board members were present: President Mary Ann Hefner; Vice President Larry Denney; Secretary-Treasurer Frank Willingham; Director Lorean Sindelar; and Director Ken Martin. Attending from the staff were Anita LaBier, General Manager, and Yadira Arreguin, Administrative Assistant. Also in attendance were Tony Corbett, District's Legal Counsel; Randy Stumberg, MRB Group; Chris Dunbar, Kingsland Water Supply Corporation; and Josh and Dakota Durden, Grit Design Build.

Item No. 1 Mary Ann Hefner called the meeting to order at 9:00 a.m. February 24, 2020, with all five Board members in attendance, thereby constituting a quorum. Pledges of Allegiance to the U. S. Flag and Texas Flag were recited.

Item No. 2 There was no one requesting public input.

Item No. 3 Upon motion by Lorean, seconded by Frank, minutes for the meetings of the Board of January 27, 2020, and February 7, 2020 were unanimously approved.

Item No. 4 The Board then held a public hearing on the petition requesting addition of land to the District by Kevin Ramirez and Alan Ramirez, for Lot Nos. Forty-Four (44) and Forty-Five (45), Royal Oaks Estates, Unit No. One (1), a subdivision located in Llano County, Texas, according to the plat recorded in Volume 1, Page 10, Plat Records of Llano County, Texas.

Mary Ann opened the public hearing. There was no one for or in opposition to the petition. Staff advised they had no concerns or questions.

Mary Ann then closed the public hearing.

Item No. 5 Consideration was then given to the adoption of an order adding land to the District pursuant to the petition referenced in Agenda Item No. 4 above.

Frank then moved that the order be adopted finding that the addition of the land described in the petition above is feasible, practicable, and to the advantage of the District and that the District's system and other improvements will be sufficient to supply the added land without injuring land already in the District. The motion was seconded by Lorean, which carried unanimously.

- Item No. 6 The Board then considered approving an amendment to the District Information Form, including approval of the District's revised boundary map and boundary description to include the land annexed pursuant to Item No. 4 above.

Frank moved that the amendment to the District Information Form be approved including the District's revised boundary map and boundary description. The motion was seconded by Lorean, which carried unanimously.

- Item No. 7 Consideration was then given to the status report by Jones-Heroy & Associates, Inc., on pending engineering and construction projects.

Jason Jones had previously filed his written report, which included the status of the easement issue and construction in the Legendary Estates on Lake LBJ and issues with WW Improvement Project Phase II.

There was no action required of the Board.

- Item No. 8 Consideration was then given to a request from the Kingsland Water Supply Corporation ("KWSC") to discharge water treatment sludge into Kingsland Municipal Utility District's wastewater system.

Chris Dunbar appeared on behalf of the Kingsland Water Supply Corporation. Chris advised that they are ordering some equipment to do the testing that Tom, the District's Operation and Maintenance Supervisor, has requested for a trial run on what effect, if any, the sludge would have on KMUD's system. It was his understanding the testing would be done for a 30-day period, using 1,000 gallons per day.

Lorean suggested that the 30-day trial run include at least one of the major holidays since KMUD also would be receiving an increased effluent at this time.

Following the discussion, Lorean moved that the Board approve a 30-day trial run with the understanding that the testing would include at least one major holiday. The motion was seconded by Ken, which carried by a vote of four "ayes" and Frank abstaining.

- Item No. 9 Then considered was a request from representatives of the Legends Golf Course to purchase effluent from the District for irrigation of golf course.

Tony Corbett, the District's legal counsel, advised that he has set up a meeting with LCRA representatives concerning the possibility of KMUD applying for a bed and banks authorization to supply the effluent to the Legends. The meeting was set for today, February 24, 2020, at 2:00 p.m. in Austin. Anita and James Miertschin also would be attending this meeting.

No further action was taken at this time.

Item No 10 Next considered was a request by Llano County to participate in the Llano County Multijurisdictional Hazard Mitigation Action Plan.

Tony Corbett expressed concerns that KMUD's resources and funds should be used for functions authorized to the District.

Anita advised that she had spoken with the representative of the company that was setting up this plan and was advised that usually they do not include water and wastewater.

Following the discussion, Frank moved that the District not participate in this plan. The motion was seconded by Larry, which carried unanimously.

Item No. 11 Next the Board considered matters relating to the construction of improvements to, lease, and operations of the Kingsland Convention and Community Center to include the following:

- a) Status report by the District's Extension Committee on design of the new Community Center structure.
- b) Status report from Grit Design Build, LLC, on the Community Center Project.

Appearing interested in Item No. 10 were the following:

Dakota Durden and Josh Durden on behalf of Grit;  
Randy Stumberg, architect on behalf of KMUD's interest;

- c) Report by the District's Revenue Committee concerning proposed designated funds to finance the construction of the new Community Center structure.

11(a) The Extension Committee had no additional information at this time.

11(b) Mr. Dakota Durden presented a proposed layout design of the new structure. Concerns by the Board were the placement of the kitchen requiring tenants using the small meeting room would have to go through the large meeting room, consider moving the kitchen closer to the small meeting room, moving the "mop" room to an area closer to an outside door, and the possibility of adding a small patio area to be used for "outside frying equipment" such as fish frying, pancake breakfasts, etc. Dakota responded that he would need to check with LCRA about the possibility of an issue with impervious cover.

No formal action was taken on the design at this time.

11(c) Ken, Interim Chair of the Revenue Committee, Anita and Mary Ann met on February 21, 2020, to review the District's various accounts.

Ken explained the recommendations as follows:

Randy Stumberg—payment for his fees will be drawn from the Consultant Line Item presently at \$15,000.00. When that account has been depleted, the remainder, if any, from his maximum fee of \$75,250.00 will be drawn from Engineering Line Item at the end of the fiscal year.

Construction of the Community Center Project:

Deplete Prosperity Bank (CD) Account No. 1630010537--\$243,549.96;

Deplete Bancorp South (CD) Account No. 93100011865607--\$124,948.70; and

Deplete Bancorp South (CD) Account No. 93100011867047--\$896,920.57.

Total from CD's is \$1,265,419.23.

Prosperity Bank Future Plant Reserve Account was set up by action of the Board on November 21, 2005.

Frank moved that the recommendations from the District's Revenue Committee as set out above to finance the Community Center project be approved. The motion was seconded by Lorean, which carried unanimously.

Item no. 12 The Board then considered awarding a contract for asphalt replacement at the plant facilities.

Four (4) bids were received. Staff recommended the contract be awarded to Hinds Paving at a cost of \$99,588.22.

Frank moved that the contract for asphalt replacement be awarded to Hinds Paving at a cost of \$99,588.22. The motion was seconded by Larry, which carried unanimously.

Item No. 13 Next considered was the awarding of a contract for fencing replacement for the wastewater plant and seven (7) lift stations to include gate replacements.

Only one bid was received which was submitted by Concretex at a cost of \$149,034.00.

There appeared to be some confusion from the bid proposal document whether all gates would be included with the lift stations, including all of the gates at the main plant.

Frank moved that the awarding of the contract be postponed. The motion was seconded by Lorean, which carried unanimously.

Frank then moved that the staff republish the required notice with clarity to properly identify the work to be performed, including which gates, if any, are included.. The motion was seconded by Larry, which carried unanimously.

Item No. 14 The Board then considered approval of payment for non-recurring bills.

Invoices for payment had been received from (1) Jones-Heroy in the amount of \$1,502.10 for engineering services; (2) McLean & Howard in the amount of \$6,630.00 for legal services; and (3) West & Davis for audit preparation in the amount of \$8,000.00.

Frank then moved that invoices from Jones-Heroy in the amount of \$1,502.10; McLean & Howard in the amount of \$6,630.00; and West & Davis in the amount of \$8,000.00 be approved for payment. The motion was seconded by Lorean, which carried unanimously.

Item No. 15 The Board then considered payment of invoices exceeding \$10,000.00.

Invoices for payment from Smith Pump totaling \$20,627.00 for:

Invoice #SI017073, dated February 12, 2020 in the amount of \$1,424.00; and Invoice #SI017072, dated February 12, 2020 in the amount of \$19,203.00.

Larry moved that invoices from Smith Pump totaling \$20,627.00 be approved for payment. The motion was seconded by Frank, which carried unanimously.

Item No. 16 Next considered was approval of payment of the General Manager's expense reimbursement requests.

There were no requests.

- Item No. 17 Consideration was then given to the Board of Directors' per diem fees and expense reimbursement requests for payment.

Following a brief discussion, Frank moved that the Board of Directors' per diem fees and expense reimbursement requests be approved for payment. The motion was seconded by Lorean, which carried unanimously.

- Item No. 18 The Board then considered approval of requests from Board members and General Manager to attend educational seminars.

Considered was a request by Anita LaBier to attend online—Supervisory Management thru Michigan State University. Cost will be \$495.00 which includes text books and all program material and this is an approved course by TCEQ.

Lorean moved that the request be approved. The motion was seconded by Larry, which carried unanimously.

- Item No. 19 Consideration was then given to the delinquent accounts report.

Frank moved to accept the delinquent report. The motion was seconded by Larry, which carried unanimously.

- Item No. 20 Then considered was a report and the authorization of penalties, if any, on noncompliance of the Grease Trap Ordinance. The staff did not recommend any penalties at this time.

Frank moved to accept the Grease Trap Ordinance report. The motion was seconded by Lorean, which carried unanimously.

- Item No. 21 Consideration was then given to the monthly written report by the General Manager.

Larry and Lorean will be attending the February 26, 2020 safety meeting.

Anita requested PTO for March 11, 2020, March 27, 2020, and March 31, 2020.

Discussion ensued concerning the stockpiling of the compost and mulch at the septic site.

Larry then moved that the General Manager's report be approved including Anita's request for PTO. The motion was seconded by Frank, which carried unanimously.



*Public Board Meeting Attendance*

Date: February 24, 2020

	Name and Address	Business / Firm	Phone #
1.	RANDY STUMBERG	MRE Group	(254) 771-2054
2.	Chris Dunbar	KWSC	(512) 755-2721
3.	Tony Corlett	McLean & Howard	512-328-2008
4.	Josh Darden	Grit Design Build	830-388-2742
5.	Dakota Darden	Grit Design Build	210-887-0242
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			

Item No. 22 Each Committee Chairperson recommended acceptance of their respective report as follows:

Audit Committee—Frank Willingham, Secretary-Treasurer;  
District Treasurer—Frank Willingham, Secretary-Treasurer;  
Extension Committee—Lorean Sindelar, Director;  
Finance Committee—Larry Denney, Vice President;  
Insurance Committee—Lorean Sindelar, Director;  
Investment Committee—Mary Ann Hefner, President;  
Park Committee—Lorean Sindelar, Director;  
Personnel Committee—Larry Denney, Vice-President;  
Property/Easement Committee—Larry Denney, Vice President;  
Records Management Committee—Mary Ann Hefner, President;  
Revenue Committee—Larry Denney, Vice President;  
Safety Committee—Frank Willingham, Secretary-Treasurer; and  
Tax Committee—Frank Willingham, Secretary-Treasurer.

Larry then moved that the reports as presented be accepted. The motion was seconded by Frank, which carried unanimously.

Items No. 23

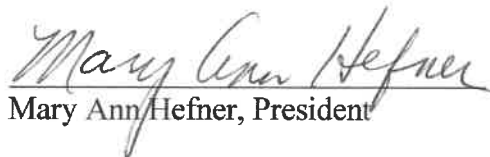
and No. 24 The Board then gave consideration to the Administration and Operation Report and the Budget Expenditures.

Frank moved that the Administration and Operation Report and Budget Expenditures be approved. The motion was seconded by Ken, which carried unanimously.

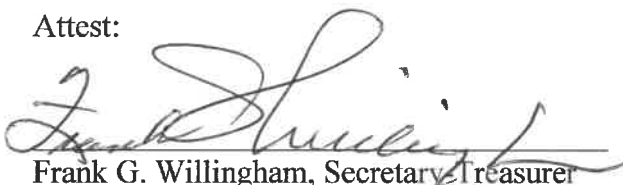
Item No. 25 Lorean moved to adjourn at 10:25 a.m. The motion was seconded by Frank, which carried unanimously.

A complete audio recording of this meeting is archived at KMUD Office, 100 Ingram Street, Kingsland, Texas, and will be maintained for at least 90 days following the date of approval of these minutes by the Board.

Approved:

  
Mary Ann Hefner, President

Attest:

  
Frank G. Willingham, Secretary-Treasurer



## Agenda Item #21

### GENERAL MANAGER'S REPORT February 24, 2020

#### Finance & Budget

Total Income was 15.3% over Budget, accounting for \$128,517 more than budgeted for January 2020. Total Expenses were 26.8% under Budget, accounting for \$69,632 less than budgeted expenditures for January 2020.

#### Interest Rates as of 01/31/2020

Prosperity Bank (Money Market Checking): 0.35%

#### Collateralization as of 01/31/2020 (Report Attached)

Prosperity Bank: \$6,711,295.26

BancorpSouth: \$1,000,000.00

BancorpSouth: \$999,654.00 (December 9, 2019)

Two late fees were waived in the month of January. One was due to a posting error and one was a one-time courtesy removal.

A total of 1,400 people have signed up for ACH payments as of February 2020.

#### Personnel

The present staffing allocation is thirteen full-time operational staff, three full-time administrative staff and one General Manager. We currently have an opening for one field service tech.

Paid time Off for General Manager: As of 02/06/20 I have 279.73 hours (34.96 days) of paid time off. PTO for February 27, 2020 was approved at the January 24, 2020 board meeting. I am requesting PTO for March 11, 2020, March 27, 2020 and March 31, 2020.

#### Plant Compliance

The plant permitted parameters were in compliance for January 2020.

<u>Test Removal</u>	<u>Influent</u>	<u>Effluent</u>	<u>Permitted</u>	<u>Percent</u>
BOD <sub>5</sub>	261 mg/L	1.00 mg/L	5.0 mg/L	99.6%
Phosphorous	6.63 mg/L	0.67 mg/L	2.0 mg/L	89.8%
TSS	228 mg/L	1.00 mg/L	5.0 mg/L	99.6%
Cl <sub>2</sub>	L-1.28 H-3.54	L-1.0 H-4.0		
pH	L-6.06 H-7.53	L-6.0 H-9.0		
E. coli	Daily Avg – 1.32 – Daily Max – 2.00		Permitted Daily Avg – 126 – Daily Max – 399	

#### Maximum Daily Flow

**0.288 MG**

#### Average Flow

0.257 MGD      0.750 MGD      34.3% of permit  
0.750 MGD (75% = 562,500)  
97.3% of last yr – (January 2019 – 0.264 MGD)

#### Odor Complaints

No odor complaints were received since the last Board meeting.

#### Engineering Pending Projects

Legendary Estates subdivision is moving forward. See Jason's status report under Agenda item #7.

## **Plant and Field Operations**

**Plant Operations:** Overall plant performance has been good. All effluent samples are within permitted parameters.

The office generator is down; water got into the oil chamber and seized the motor. The new generator should arrive mid-March from Austin Generator.

**Septic Dumping Site:** January 2020 flow totals for this facility were 99,414 gallons or 33.1% of capacity. Total Income was 31.3% over Budget, accounting for \$1,957 more than budgeted for January 2020. Total Expenses were 30.3% under Budget, accounting for \$985 less than budgeted expenses for January 2020. Revenue through the fourth month of this fiscal year has exceeded expenditures by \$17,249. (See attached Income Statements).

**Field Operations:** The staff responded to 283 service calls in January 2020 (15.0% were after hours calls). There were two new residential grinder service installed and five new service requests received during the month of January. The majority of field staff's workload for the month of January has been on lift station preventative maintenance, general plant preventative maintenance, service calls, gravity mainline maintenance, and general cleanup. Staff replaced 1 grinder tank extensions in the month of January for a total of 1 replaced for this fiscal year at an average cost of \$375- \$400 per unit (cost is higher when panel and pump are replaced also). Total extensions that have been replaced since the start of the extension program are 1,486.

There were no Liberty pumps rebuilt during the month of January.

**Manhole Inspection / Rehab:** A spreadsheet for the manhole inspections has been started (see attached Manhole Inspection Report).

**Safety:** There were no lost time accidents in the month of January. February's safety meeting will be held on February 26, 2020 and will cover Office Safety and Ergonomics Awareness. Directors who are scheduled to attend are Larry Denney and Lorean Sindelar.

**Brush Recycling Center:** Brush Recycling Revenue for the month of January was \$225.65.

**Compost Facility:** The Compost Facility started selling KMUD's compost (Diamond Dirt Compost) in January 2014. January totals were 20 yards for a total of \$500.00. Total Sales of KMUD compost is 1,805.50 yards for a total of \$41,591.75. 0 bags of compost were sold in January for a total of \$0.00. A total of 1,442 bags have been sold since February 1, 2016 for a total of \$5,112.00. No pallets of Compost were sold in January. A total of 9 pallets have been sold since February 1, 2016 for a total of \$1,350.00. See attached spreadsheet. Staff has included the Income Statement for Department 80: Compost Facility sales and expenditures for the current month and year-to-date.

**Community Involvement:** Staff met on December 5, 2019 to review the October 12, 2019 cleanup event and start planning on the 2020 events. Staff is meeting on February 25 2019 to discuss the upcoming clean-up events.

**Future Plant Site:** Nothing new to report at this time.

## **Kingsland Convention Community Center**

See Agenda Item #10 concerning the matters relating to the operations of the Community Center.

Staff has included as part of the GM's report the Income Statement for Department 90: Kingsland Convention & Community Center showing Expenses for the month and year-to-date.

**Kingsland Little League**

Staff has included the Income Statement for Department 70: Kingsland Little League to show the current month's expenditures and year-to-date expenditures.

**Potential New Development Issues**

There is nothing new to report on New Development Issues at this time.

**Report on Pending Developments**

There is nothing new to report on pending developments at this time.

**Capacity of Recent New Developments (at full build-out)**

Capacity flow – 9.0% for Lighthouse Golf Course (formerly Packsaddle) – 285 connections (47 constructed)

Capacity flow – 3.0% for The Pointe (formerly Lookout Mountain West) – 78 connections (4 constructed)

Capacity flow – 7.0% for Clearwater Landing – 209 connections (45 constructed)

Capacity flow – 2.0% for Hill Country Cove (formerly Catherine Cove) - 54 connections (12 constructed)

Capacity flow – 2.0% for Legendary Estates on Lake LBJ – 56 connections (1 constructed)

**A total of 23% or 165,200 gallons per dwelling of present capacity is being reserved by the above projects.**

(Flow is based on engineer's design of 280 gallons per dwelling.)

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**Anita LaBier**  
**General Manager**

### Recently Completed Projects (FY 2019-2020)

- ✓ Staff participated in annual Halloween Carnival and put on the Haunted House.
- ✓ Week of November 4-8, 2019 cleaned out the digesters at the Septic Site cleaning out the grit and making repairs.
- ✓ Interviewed 8 candidates for the new position on November 5, 2019.
- ✓ Hired Joseph Lambert who started on November 19, 2019
- ✓ Week of November 18, 2019 replaced 2HP pumps with 3HP pumps & panel at Packsaddle Elementary Lift Station.
- ✓ Week of November 18, 2019 ordered the new Vac Truck, Backhoe and new F-350 to replace the Mazda.
- ✓ Week of November 25, 2019 started extending the mainline on Indian Trail.
- ✓ On Friday, January 10, 2020 the new backhoe was received from JCB.
- ✓ Week of January 7, 2020 staff repaired one of the drains going to the drying beds.
- ✓ Week of January 7, 2020 staff replaced 2HP pump with a 3HP pump at the Kingsland Hills Lift Station.
- ✓ Week of January 7, 2020 staff replaced the panel at the Oak Grove Lift Station.
- ✓ Week of January 13, 2020 staff replaced a 15HP motor at the Lakeside Heights Lift Station.
- ✓ Week of January 13, 2020 the pressure gauge was replaced at the Twin Isles Lift Station.
- ✓ Week of January 20, 2020 staff replaced 3HP motor, junction box and contactors at the 2545 Lift Station.
- ✓ Week of January 20, 2020 staff replaced the Duplex panel at the Cottonwood Lift Station.
- ✓ Replacement Truck #41 is in and will be picked up on Monday, January 27, 2020.
- ✓ Week of January 27, 2020 replaced the panel and the disconnect at Lakeside Heights Lift Station.
- ✓ Week of February 10, 2020 cleaned all clarifiers (which means emptying each clarifier one at a time, cleaning all foreign matter out of each one and checking for any broken items).
- ✓ Week of March 16, 2020 will clean all digesters.
- ✓