

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

September 23, 2019

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 23<sup>rd</sup> day of September, 2019, 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; Tom Stewart, Operation and Maintenance Supervisor; and Yadira Arreguin, Administrative Assistant. Also in attendance was Tony Corbett, District's Legal Counsel.

Item No. 1 Mary Ann Hefner called the meeting to order at 9:00 a.m. September 23, 2019, 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 meetings of the Board of August 26, 2019, September 11, 2019, and September 16, 2019, were unanimously approved.

Item No. 4 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 issues and construction in the Legendary Estates on Lake LBJ and issues with WW Improvement Project Phase II.

Tom advised that Jason and Darren would meeting with the staff to determine what still needed to be done with the defects regarding the Wastewater Improvement Project Phase II.

No formal action was required on the status report of the Board.

Item No. 5 The Board then considered a request from Mills Services for damages or replacement of a tree at 2401 Lawson, Kingsland, Texas.

An employee of the District backed into a tree with a trailer and apparently caused damages to the tree.

Frank questioned why this was not reported to Texas Municipal League, the District's insurance carrier, because the incident did cause the damage and would be considered a liability.

Staff advised that the deductible would be \$250.00 and the District's Insurance Committee thought it would be to the District's advantage to pay the damages instead of filing a claim.

Lorean then moved that the claim from Mills Services in the amount of \$605.63 minus the sales tax of \$35.63 be forwarded to Texas Municipal League. The motion was seconded by Larry, which carried unanimously.

Item No. 6 Consideration was then given to the renewal of the Property and Casualty General Insurance.

Information provided by Texas Municipal League indicated an increase of \$1,122.00.

Lorean moved that the property and casualty general insurance be renewed with Texas Municipal League. The motion was seconded by Frank, which carried unanimously.

Item No. 7 Then considered was the renewal of the Workers' Compensation Insurance.

Information provided by Texas Municipal League indicated an increase of \$409.00.

Lorean moved that the workers' compensation insurance be renewed with Texas Municipal League. The motion was seconded by Frank, which carried unanimously.

Item No. 8 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 Structure.

b) Discussions relating to identification and selection of independent architect or engineer to act as the District's representative for the duration of the construction project.

c) Designate the District's Revenue Committee to review the District's funds for development of recommendations to the Board to finance the new structure.

Addressing a) above, Lorean, chair of the Extension Committee, advised that the Committee has drafted the Request for Qualifications and forwarded the draft to Tony, the District's legal counsel. Tony advised that he has made several changes and emailed them back to Anita over the weekend. Copies of the document consisting of five pages were then given to the Board for a quick review. Tony advised that he plans to prepare an abbreviated document for newspaper publication that would indicate additional information would be available at KMUD's offices.

Tom suggested using spray insulation instead of blown insulation.

Larry expressed concern about the lack of detailed information in the request.

Lorean then moved that the Request for Qualifications document be approved indicating under "Description of Project Scope No. 2 that the structure would be 6,200 square feet instead of 8,000 square feet. The motion was seconded by Frank, which carried by a vote of four "ayes" and Larry voting "no."

Addressing b) above, Lorean indicated that the local Picayune phone book had several architects listed and suggested that a letter be sent to those individuals inquiring about their experience, if any, with a design/build project.

Lorean then moved that the Extension Committee be authorized to work with the staff to contact architects and bring recommendations to the Board for action. The motion was seconded by Frank, which carried unanimously.

Addressing c) above. Although the budget for 2019-2020 has been approved for the construction, the Board has not designated which funds would be used to pay for the construction.

Larry, as chair of the Revenue Committee, expressed concern that the Board does not have ample construction information to begin investigating the various accounts and would like to delay this item until the October Board meeting.

Larry then moved that the designation of the District's Revenue Committee to review the District's funds to finance the new structure be tabled until the October Board meeting. The motion was seconded by Ken, which carried unanimously.

Item No. 9 Upon motion by Larry, seconded by Ken, the Board unanimously adopted the employees' holiday schedule for 2020.

Item No. 10 Upon motion by Larry, seconded by Frank, the Board unanimously adopted the Board of Directors' meeting schedule for 2020.

Item No. 11 The Board then considered approval of payment for non-recurring bills.

Invoices for payment had been received from (1) James Miertschin & Associates in the amount of \$5,525.00 for engineering services; and (2) McLean & Howard in the amount of \$3,960.00 for legal services.

Larry then moved that invoices from James Miertschin & Associates in the amount of \$5,525.00 and McLean & Howard in the amount of \$3,960.00 be approved for payment. The motion was seconded by Ken, which carried unanimously.

Item No. 12 The Board then considered payment of invoices exceeding \$10,000.00.

(a) Smith Pump Inc. had submitted Invoice #SI016537 dated September 20, 2019 in the amount of \$18,048.00.

(b) Core & Main had submitted invoices totaling \$13,449.57 for

Invoice #K994264, dated August 20, 2019 in the amount of \$8,850.00;  
Invoice #L068970, dated August 21, 2019 in the amount of \$2,285.00;  
Invoice #L069748, dated August 29, 2019 in the amount of \$1,289.57; and  
Invoice #L130979, dated August 30, 2019 in the amount of \$1,025.00.

(c) Lupe Rubio Construction Company, Inc., had submitted an invoice for emergency repair in the amount of \$18,500.00 dated September 5, 2019.

Frank moved that the invoice by Smith Pump Inc. in the amount of \$13,449.57; invoices by Core & Main in the amount of \$13,449.57; and an invoice by Lupe Rubio Construction Company, Inc., in the amount of \$18,500.00 be approved for payment. The motion was seconded by Lorean, which carried unanimously.

Item No. 13 Next considered was approval of payment of the General Manager's expense reimbursement requests.

There were no requests.

Item No. 14 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 Larry, which carried unanimously.

Item No. 15 The Board then considered approval of requests from Board members and General Manager to attend educational seminars.  
There were no new requests.

Item No. 16 Consideration was then given to the delinquent accounts report.

a) Consideration and appropriate action concerning staff's recommendation to reduce aged delinquent accounts

Anita advised that she has been working with the District's auditor, Bob West, to prepare a list of aged delinquent accounts.

Mary Ann then moved to accept the delinquent report as presented. The motion was seconded by Frank, which carried unanimously.

Mary Ann then moved to accept the methodology to write off aged delinquent accounts as reviewed by the District's auditor. The motion was seconded by Frank, which carried unanimously.

Item No. 17 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.

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

Item No. 18 Consideration was then given to the monthly written report by the General Manager.

Larry and Ken will be attending the September 25, 2019 safety meeting.

Larry then moved that the General Manager's report be approved, including Anita's request for paid time off for October 14, 2019 and October 21, 2019. The motion was seconded by Ken, which carried unanimously.

Item No. 19 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.

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

Items No. 20


and No. 21 The Board then gave consideration to the Administration and Operation Report and the Budget Expenditures.

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

Item No. 22 Larry moved to adjourn at 10:10 a.m. The motion was seconded by Ken, 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 #18

### GENERAL MANAGER'S REPORT September 23, 2019

#### Finance & Budget

Total Income was 22.1% over Budget, accounting for \$25,555 more than budgeted for August 2019. Total Expenses were 27.2% under Budget, accounting for \$61,459 less than budgeted expenditures for August 2019.

#### Interest Rates as of 8/31/2019

Prosperity Bank (Money Market Checking): 0.35%

#### Collateralization as of 8/31/2019 (Report Attached)

Prosperity Bank: \$5,642,533.71

BancorpSouth: \$1,000,000.00

BancorpSouth (Federal Reserve Bank): \$997,443.00

One late fee was waived in the month of August due to a posting error.

A total of 1,373 people have signed up for ACH payments as of September 2019.

#### Personnel

The present staffing allocation is twelve full-time operational staff, three full-time administrative staff and one General Manager.

Paid time Off for General Manager: As of 08/31/19 I have 292.07 hours (36.51 days) of paid time off. I am requesting PTO for Monday, October 14, 2019 and Monday, October 21, 2019.

#### Plant Compliance

The plant permitted parameters were in compliance for August 2019.

<u>Test Removal</u>	<u>Influent</u>	<u>Effluent</u>	<u>Permitted</u>	<u>Percent</u>
BOD <sub>5</sub>	178 mg/L	1.25 mg/L	5.0 mg/L	99.3%
Phosphorous	6.69 mg/L	1.13 mg/L	2.0 mg/L	83.2%
TSS	143 mg/L	1.50 mg/L	5.0 mg/L	99.0%
Cl <sub>2</sub>	L-1.06 H-3.40	L-1.0 H-4.0		
pH	L-5.98 H-6.88	L-6.0 H-9.0		
E. coli	Daily Avg – 1.19 – Daily Max – 2.00		Permitted Daily Avg – 126 – Daily Max – 399	
<b>Maximum Daily Flow</b>	<b>0.532 MG</b>			
Average Flow	0.303 MGD	0.750 MGD	40.4% of permit	
	0.750 MGD (75% = 562,500)			
	111.0% of last yr – (August 2018 – 0.273 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 #4.

### **Plant and Field Operations**

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

Septic Dumping Site: August 2019 flow totals for this facility were 124,606 gallons or 41.5% of capacity. Total Income was 64.6% over Budget, accounting for \$4,040 more than budgeted for August 2019. Total Expenses were 64.6% under Budget, accounting for \$2,101 less than budgeted expenses for August 2019. Revenue through the eleventh month of this fiscal year has exceeded expenditures by \$95,615. (See attached Income Statements).

Field Operations: The staff responded to 343 service calls in August 2019 (25.0% were after hours calls). There were nine new residential grinder services installed and six new service requests received during the month of August. The majority of field staff's workload for the month of August has been on lift station preventative maintenance, general plant preventative maintenance, service calls, gravity mainline maintenance, and general cleanup. Staff replaced 0 grinder tank extensions in the month of August for a total of 12 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 1,484.

Staff has continued to work with FEMA on the process submitting information on the damages, costs, etc. for the lift stations, customer's units along with the cost of the removal of the tree limbs off our line next to the 1431 bridge.

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

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 August. September's safety meeting will be held on September 25, 2019 and will cover Trenching and Backhoe Safety. Directors who are scheduled to attend are Ken Martin and Larry Denney.

Brush Recycling Center: Brush Recycling Revenue for the month of August was \$499.41.

Compost Facility: The Compost Facility started selling KMUD's compost (Diamond Dirt Compost) in January 2014. August totals were 13.5 yards for a total of \$337.50. Total Sales of KMUD compost is 1,712.50 yards for a total of \$39,266.75. 28 bags of compost were sold in August for a total of \$98.00. A total of 1,392 bags have been sold since February 1, 2016 for a total of \$4,937.00. No pallets of Compost were sold in August. 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 September 12, 2019 to discuss the upcoming cleanup event. The next cleanup event is scheduled for October 12, 2019.

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

### **Kingsland Convention Community Center**

See Agenda Item #8 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. The sign has been replaced at the Little League field.

### **Potential New Development Issues**

Staff met with Martin Stary of KC Engineering on Friday, August 16, 2019 to discuss the possibility of a new subdivision in Burnet County, which would be located close to Lookout Mountain.

### **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 (29 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 2018-2019)

- ✓ The majority of the field work for October 2018 has been spent on flood assessments, repairs and replacements for those units / customers that were under water due to the flooding that occurred on October 16, 2018.
- ✓ Kingsland Cove, Bluebonnet and Riverside Lift Stations all had new motors and panels replaced due to the flooding in October 2018.
- ✓ Thursday, November 15, 2018 U.S. Underwater Services came out and inspected the mainline next to Wakepoint and found two trees laying on top of the line. They finished the removal of the trees on Saturday, November 17, 2018.
- ✓ Continue to work on those customer's systems affected by the flooding.
- ✓ Staff ordered and received the new front loader. It was delivered on December 31, 2018.
- ✓ April 2019 – Completed the removal of the dirt from the Kingsland Community Park
- ✓ April 2019 – Concretex has started putting up the new fence at the main plant.
- ✓ May 15, 2019 – The fence at the main plant is almost complete.
- ✓ May 2019 – The fence replacement at Kingsland Cove has been completed and they are getting ready to start on the 2545 Lift Station.
- ✓ May 2019 – The fence replacement at 2545 Lift Station has been completed.
- ✓ Week of July 22, 2019 they will start putting in the pumps, panel, etc. at the Legendary Estates on Lake LBJ lift station.
- ✓ Week of August 12, 2019 – August 16, 2019: Finished replacement of the underwater line located next to RR 1431 bridge due to the piece of concrete that was found on top of the line. Staff worked with LCRA and TCEQ during this time period.
- ✓ August 22, 2019 – Picked up Truck #38 from Johnson Sewell after it was repaired and repainted due to the theft in May 2019.
- ✓ Staff spent several days getting GPS addresses for FEMA and verifying which, if any, panels still needed to be replaced.
- ✓ Replaced the air release valve at 1431 & Campa Pajama.