

Seis Lagos Utility District

Minutes

Monday, September 19, 2016

Public Hearing and Board of Directors Meeting, 7:30 p.m.

Executive Session followed Public Hearing

The Seis Lagos Utility District held a regular meeting and a Public Hearing at the Seis Lagos Clubhouse, 222 Seis Lagos Trail on Monday, September 19, 2016. The following board members were present: Brett Faucett, Brian Holmes, Nick Calautti and Tom Siewert. Keith Weinman was absent. Also present were: Dewane Clark and Carla Jones. There were 6 people in the audience.

1. B. Faucett called the meeting to order at 7:35 p.m. determined a quorum was present and all legal requirements have been met for posting of meeting notices. He asked that all cell phones be turned off or to vibrate.

2. **Public Input:** There was no public input.

3. B. Faucett made a motion to conduct a Public Hearing on 2016 ad valorem tax rate.

T. Siewert seconded the motion. The motion passed unanimously.

4. **Consent Agenda:**

- August Financial Reports
- August Meeting Minutes
- September Newsletter

T. Siewert had question about the Total Assets on the balance sheet, he explained that the row did not add up to the total. B. Faucett made a motion to approve the Consent Agenda with a correction to the newsletter month as October instead of September as was filed on the agenda as well as to review the balance on the balance sheet of the Seis Lagos Utility District specifically take a look at correction to Capital Improvement against the ground storage tank value. T. Siewert seconded the motion. The motion passed unanimously.

Reports:

5. **Operator's report:** D. Clark

- Information on speed bumps for a future meeting.
- Information on street lights for a future meeting.
- B. Faucett asked if there were any updates on the sewer line, Dewane will contact representative.
- N. Calautti asked about the road repairs on Seis Lagos Trail, Dewane stated that he is aware of the changes in the repairs that were made.

6. **Office Manager's report:** Carla Jones

- North Texas Municipal Water District reported that we used 17,475,000 gallons in the month of August, this amounts to 12% of the annual minimum.

District Business:

7. Discuss, consider and act on creating a late notice to be mailed prior to the past due notice.

B. Faucett asked if an additional notice was really necessary. C. Jones reported the cost that would be associated with an additional notice as to postage, envelope costs and employee time to generate, process and mail. The total cost would be around \$196 per month and annual \$2,352 for postage with additional envelopes necessary that would be approximately \$256 annually with the costs not figured into the 2016-2017 approved budget.

No action was taken.

8. Discuss, consider and act on revising the language for the existing past due notice.

N. Calautti questioned the language and what could be changed? C. Jones explained as the District's attorney had stated, the TCEQ has legal status over the past due/disconnection notice as to specific language that it contains. An additional statement was added at the end as to soften the notification.

B. Faucett made a motion to approve the changes to the current "Past Due" notice and approve for the business office to hire the software company to revise the template and install the notice to our program, and approve a setup and installation fee not to exceed \$200.00. B. Holmes seconded the motion. The motion passed unanimously.

9. Discuss, consider and act on Just Call the IT Guy for our business office technical support.

N. Calautti stated since the revisions that the Districts attorney had made was not easily read in the document, he would contact the IT company for a copy of the contract in word to provide easy editing for our attorney. The board agreed that the fee(s) were equitable with comparisons that had been made by local providers of IT services.

This item was tabled for the meeting next month to allow N. Calautti and B. Holmes to review.

10. Discuss, consider and act on Tip Top Landscaping contract for 2016-2017 landscaping and medians.

B. Faucett made a motion to accept the Tip Top Landscaping contract for 2016-2017 landscaping and medians. T. Siewert seconded the motion. The motion passed unanimously.

11. Discuss, consider and act on Tip Top Landscaping addendum to the contract for additional services for dam spillways/flumes for 2016-2017.

B. Faucett made a motion to accept the Tip Top Landscaping contract for 2016-2017 landscaping and medians. Contractor met all requirements as related to W-9, insurance and a lower rate with additional area to be serviced for the 2016-2017 budget year.

B. Holmes seconded the motion. The motion passed unanimously.

12. Discuss, consider and act on accepting proposal for auditing services for the fiscal year ending September 30, 2016 from Fox, Byrd & Company, PC and authorize President to execute engagement agreement for an amount not to exceed \$18,500.

B. Faucett made a motion to have the attorney for the District review the engagement agreement and upon the attorney approving the agreement accept proposal for auditing services for the fiscal year ending September 30, 2016 from Fox, Byrd, & Company, PC and authorize Brett Faucett, President to execute engagement agreement for an amount not to exceed \$18,500. T. Siewert seconded the motion. The motion passed unanimously.

13. Discuss, consider and act on Order adopting water rate, sewer rate, meters charges, and fire charge increase for 2016-2017.

B. Faucett made a motion to adopt Order No. 160919 approving water rate, sewer rate, meters charges and fire charge increases for 2016-2017, making the effective date for the changes 10-19-2016, as to allow a thirty (30) day notice to all customers serviced by the Seis Lagos Utility District.

T. Siewert seconded the motion.

Roll call vote FOR / AGAINST

- Brett Faucett - For
- Brian Holmes – For
- Nick Calautti - For
- Keith Weinman - Absent
- Tom Siewert - For

Motion passed.

14. Discuss, consider and act on Order adopting fiscal year 2016-2017 budget totaling \$1,558,480.

B. Faucett made a motion to adopt Order No. 160919-FYB approving fiscal year 2016-2017 budget totaling \$1,558,480.

B. Holmes seconded the motion.

Roll call vote FOR / AGAINST

- Brett Faucett – For
- Brian Holmes - For
- Nick Calautti – For
- Keith Weinman - Absent
- Tom Siewert – For

Motion passed.

15. Discuss, consider and act on Order approving 2016 Collin County Certified Appraisal Roll of \$174,177,826, M&O Tax Rate of 0.265730 for 2016 and Total Tax Rate of 0.265730 for 2016.

B. Faucett made a motion to adopt Order No. 160919-TXRA approving 2016 Collin County Certified Appraisal Roll of \$174,177,826, M&O Tax Rate of 0.265730 for 2016 and Total Tax Rate of 0.265730 for 2016. T. Siewert seconded the motion. The passed unanimously.

16. Motion to convene into executive session pursuant Chapter 551.071, Consultation with Attorney, Texas Government Code to receive legal advice on LGD Properties v. SLUD lawsuit (state and federal).

B. Faucett gave the visitors a general synopsis of what had occurred to date, LGD dismissed charges against SLUD. Dennis Verbeek asked that the board be cautious about dismissing LGD Properties if that was an option since that would put the SLCSA in a bad position.

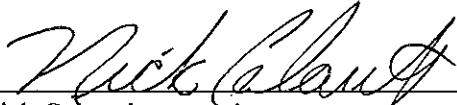
B. Faucett made motion to convene into executive session at 8:48 p.m. pursuant Chapter 551.071, Consultation with Attorney, Texas Government Code to receive legal advice on LGD Properties v. SLUD lawsuit (state and federal). B. Holmes seconded the motion. The motion passed unanimously.

17. Reconvene into regular session of the Board of Directors meeting and take any action necessary as a result of the executive session.

B. Faucett made a motion to reconvene into regular session at 9:27 p.m. of the Board of Directors meeting and take any action necessary as a result of the executive session. B. Faucett stated that no action would be taken but the matter would be addressed at a later date. T. Siewert seconded the motion. The motion passed unanimously.

18. Adjournment.

B. Faucett made a motion to adjourn the September 19, 2016, Public Hearing and Regular Meeting of the Seis Lagos Utility District at 9:29 p.m. N. Calautti seconded the motion. The motion passed unanimously.



Nick Calautti

10-11-16
Date