

TREASURE ISLAND MUNICIPAL UTILITY DISTRICT

146 FATHOM DRIVE

FREEPORT, TEXAS 77541

August 11th, 2012 10 AM

MEETING MINUTES

Board Members Present: Mark Fuqua, Debi Screnci, Kym Dobbs, and Gary Willett.

Members Absent: Blake Blackwelder.

Quorum Present? Yes

1. Mark called meeting to order at 10:10 AM.
2. Audit presentation by Kaysie Stewart from Kennemer, Masters, & Lunsford, LLC. No significant issues or problems were found. TIMUD continues to be fiscally very sound. TIMUD policies and procedures, while not perfect, are very good for a District of our size.
3. Meeting minutes from May 19th, 2012 were read by Kym Dobbs. A motion was made to approve the minutes.

Motion made by: Kym X Debi Gary

Seconded by: Kym Debi X Gary

Ayes: Kym X Debi X Gary X

Nays: None Abstained: None Approved: Yes

4. New tax rate of 0.551848 per \$100 was proposed.

5. Motion to hold Public Hearing on New Tax Rate on September 2nd, 2012 at 4:30 PM was made.

Motion made by: Kym Debi X Gary

Seconded by: Kym X Debi Gary

Ayes: Kym X Debi X Gary X

Nays: None Abstained: None Approved: Yes

Motion made to hold meeting to adopt New Tax Rate on September 2nd, 2012 at 4:35 PM.

Motion made by: Kym X Debi Gary

Seconded by: Kym Debi X Gary

Ayes: Kym X Debi X Gary X

Nays: None Abstained: None Approved: Yes

6. Motion made to approve Debi Screnci, Kym Dobbs, and Don Riehl as authorized account users for our current account at Frost Bank.

Motion made by: Kym Debi X Gary

Seconded by: Kym Debi Gary X

Ayes: Kym X Debi X Gary X

Nays: None Abstained: None Approved: Yes

7. As required by the Public Funds Investment Act, TIMUD is required to appoint an Investment Officer. Motion made to appoint Don Riehl as TIMUD Investment Officer.

Motion made by: Kym Debi X Gary

Seconded by: Kym X Debi Gary

Ayes: Kym X Debi X Gary X

Nays: None Abstained: None Approved: Yes

8. As required by the Public Funds Investment Act, TIMUD must have a written Investment Policy and Strategy. New Investment Policy and Strategy presented by Investment Officer. Motion made to accept new Investment Policy and Strategy.

Motion made by: Kym Debi X Gary

Seconded by: Kym X Debi Gary

Ayes: Kym X Debi X Gary X

Nays: None Abstained: None Approved: Yes

9. Project list reviewed and updated.

Water plant upgrade and new storage tank updates given. New storage tank contract awarded and will be supervised by John D. Mercer & Associates, Inc., Consulting Engineers, currently supervising water plant upgrade project. Contract awarded to LL&F Construction, the same contractor that has the contract for construction of the water plant upgrade project. Costs will be under the \$60,000 budgeted for the new water storage tank.

Hose reel on fire truck has been repaired and item removed from project list. Fire truck training will now be scheduled for sometime in the next 30 days.

Jim Coursey discussed the addition of more stand pipes. Stand pipes to be used for flushing of water system and for use with fire hoses in case of fires. This item is to be added to the project list.

Mark and Jim discussed ongoing search for large rocks to extend existing rock protection on beach in front of water plant.

Quarterly Investment Report presented and motion made to accept Investment Report.

Motion made by: Kym Debi X Gary

Seconded by: Kym X Debi Gary

Ayes: Kym X Debi X Gary X

Nays: None Abstained: None Approved: Yes

Estimate on repair of bulkhead at the end of canal # 2 should be given to TIMUD next week (week of 8/13/12).

10. Tom Craddock brought up the use of China Clipper to access bay by fishermen and the parking issues that are becoming a problem as more and more non-resident fishermen are parking illegally and are inconsiderate of the property owners on China Clipper. As the roads in Treasure Island are private but dedicated to public use, TIMUD is unable to restrict use of China Clipper by nonresidents. Tom may contact owner/s of property on the south side of China Clipper and see

if the property owners can work together in an effort to control and alleviate the problem.

11. Motion was made to adjourn meeting.

Motion made by: Kym X Debi Gary

Seconded by: Kym Debi X Gary

Ayes: Kym X Debi X Gary X

Nays: None Abstained: None Approved: Yes

Meeting adjourned at 11:18 AM.