

TREASURE ISLAND MUNICIPAL UTILITY DISTRICT

146 FATHOM DRIVE, FREEPORT, TEXAS 77541

Board of Directors Quarterly Meeting Minutes

May 28th, 2017, at 10:00 AM

Directors present: Mark Fuqua, Blake Blackwelder, and John Sparks.

Director absent: None Quorum present? Yes

1. Mark called the meeting to order at 10:00 am.
2. March 25th, 2017, meeting minutes reviewed. A motion to approve the minutes as written was made by John and seconded by Blake. Motion approved with all ayes.
3. Mark announced resignation of Chuck Arcoria. With just 3 Board members, Mark spoke to need to have vacant positions on Board filled and asked for candidates. Knowing how difficult scheduling a meeting with just 3 very busy Board members was becoming, Debra Fuqua offered to fill one of the vacancies. Validity of spouses serving together on TIMUD Board to be looked into. A motion to seat Debra at our next meeting, provided she is eligible, was made by John and seconded by Blake. Motion approved with all ayes. Joe Capuano offered to fill a vacancy on the Board. A motion to seat Joe Capuano on the Board was made by John and seconded by Blake. Motion approved with all ayes.
4. Mark discussed bid from Mott MacDonald for feasibility study addressing erosion and access at the south end of Jolly Roger. Up to 3 alternatives, each addressing erosion and access, will be developed. For survey work, access agreements from property owners near site will be needed. Easement agreements will still be needed. A motion to enter agreement for feasibility study with Mott MacDonald, with budget up to \$40,000, was made by John and seconded by Blake. Motion approved with all ayes.
5. Mark gave an update on permitting agreement with GLO to extend our erosion control efforts from the bridge south to in front of the water plant. The GLO told Mark that TIMUD would have the Cooperation Agreement in 2 weeks. A grateful thank you was extended to Dude Payne for all of his efforts, on our behalf, supporting this agreement. Project cannot start until October. Hopefully sand can be placed and rocks ordered before October. TIMUD would like to save money by ordering all of the rocks needed for this project and the end of Jolly Roger project at the same time. Mark asked for a motion to sign Cooperation Agreement, as long as TIMUD conditions are met, and for approval of the \$400,000 required matching funds from TIMUD (to receive \$600,000 grant money, MUD spends at least \$100,000 and provides at least \$300,000 in kind

expenses). John made asked for motion and Joe seconded it. Motion approved with all ayes.

6. A motion was made by John, with Blake seconding, to accept the engagement letter from auditing firm KM&L. Motion approved with all ayes.

7. Blake spoke to the parking issues on Gulf Beach, the 13,100s block. Discussed need for no parking signs and if MUD has authority to place signs. Mark will look into MUD authority to place speed bumps.

8. Discussed employee compensation for Joey L Le Maire, such as a per diem of \$100 a month for the FY 2017-18. Discussed request from Don Riehl for a pay raise, from current \$20 an hour to \$25 an hour. A motion was made by John, seconded by Joe, to give Joey a per diem of \$100 a month for the FY 2017-18 and to give Don a pay raise, from the current \$20 an hour to \$25 an hour. Motion approved with all ayes.

9. The Quarterly Investment Report was presented by the Investment Officer. A motion to approve the Quarterly Investment Report was made by John and seconded by Blake. Motion approved with all ayes.

10. Budget review and discussion tabled until next meeting.

11. For our August meeting, an Agenda item will be added: Our water operator, Pete Gutierrez, will give a presentation and answer questions regarding TIMUDs water plant, distribution system, and water quality.

12. A motion to adjourn the meeting was made by John and seconded by Blake. Motion approved with all ayes. Mark adjourned the meeting at 11:30 am.

August 12th, 2017

Mark Fuqua, President, TIMUD Board of Directors