

TREASURE ISLAND MUNICIPAL UTILITY DISTRICT

146 FATHOM DRIVE, FREEPORT, TEXAS 77541

Board of Directors Quarterly Meeting Minutes

August 11th, 2018, at 10:00 AM

Directors present: Joe Capuano, Kym Dobbs, Jean Riojas-Foyt, Debi Screnci, and John Sparks.

Director absent: None Quorum present? Yes

1. John called the meeting to order at 10:02 am.
 2. Kristin Effenberger, a senior accountant from the audit firm of Kennemer, Masters, & Lunsford, LLC., presented our Fiscal Year 2017-18 Audit Report. Kaysie Stewart, a partner from the firm, was also present. Audit was very clean and given highest rating their firm gives. TIMUD was once again very good stewards of tax payer dollars for the audited fiscal year. A motion to accept the Audit Report was made by Debi and seconded by Kym. Motioned approved with all ayes.
 3. A motion was made by Kym and seconded by Debi to approve the corrected meeting minutes from the March 3rd, 2018, Board of Directors Meeting and approve the meeting minutes from the May 19th, 2018, Board of Directors Meeting. Motioned approved with all ayes.
 4. John updated the project to continue TIMUDs erosion control efforts south from the bridge to existing efforts in front of the water plant. GLO is the lead on this project and Mott MacDonald will provide engineering services. A kick-off meeting was held here in Treasure Island on June 22nd. Jean Riojas-Foyt is the designated Project Manager representing TIMUD. This project will definitely require a USACE permit because of the land elevations in the western portion of the project, near the former fishing pier. This could delay our construction until after turtle season 2019. Beach nourishment (the dewatered sand now in the confined dredge facility near the Park entrance) will be placed in the western part of the site. The tie in with the existing rocks will be toward the midpoint of the existing rocks, leaving a line of rocks seaward of the project. We will have some detail work to do in relocating two existing private dune walkovers that are within the project area. Most of the project (from the bridge to San Luis Boulevard) will be on the Civic/TIMUD property, and we will not need third party easements. We will need third party easements on the western part of the project. It is likely we will need some kind of revegetation project for plant growth that will be lost during construction. This can be a community volunteer event and part of our "in-kind" services on the cooperative Agreement.
- TIMUD is assigned the task of coordinating closing of the Brazoria County right of way near the toll bridge. Part of the Project is to protect the bridge support.

5. The status of the Jolly Roger Revetment Extension project to control erosion and allow beach access at the south end of Treasure Island was discussed. An Agreement has been proposed and sent to the 2 property owners; Lance Clawson and Sand on the Floor. Proposal loosely follows Alternative 1 from Mott MacDonald. TIMUD is waiting to hear from the property owners. TIMUD will need a reply from the Army Corp of Engineers regarding if it is within their jurisdiction. They have 30 days to respond. We believe this project is not within their jurisdiction. GLO will give an opinion on this project. Cost should much less than preliminary estimate from Mott MacDonald. Cost now estimated to be around \$200,000. A motion was made by Kym and seconded by Joe to proceed with the project as currently proposed if recent Agreement sent to property owners is accepted by them as is and that the GLO and Army Corp of Engineers are included. Motioned approved with all ayes.

6. Balboa has been closed and the intersection of San Luis Blvd and Gulf Beach has been repaired. All vehicle traffic to the beach side must enter on Palm. TIMUD hired temporary help to assist the Maintenance/Security employee (Joey) during the summer for 10 weeks or so. TIMUD and SLPRCCA (Civic) are discussing the maintenance of vacant lots.

7. A corrected Quarterly Investment Report from May 19th, 2018, was presented to the Board by Don Riehl, Investment Officer. Debi made a motion, with Kym seconding, to approve the corrected Quarterly Investment Report from May 19th, 2018. Motioned approved with all ayes. The current Quarterly Investment Report was presented to the Board by Don Riehl, Investment Officer. Jean made a motion, with Joe seconding, to approve the current Quarterly Investment Report. Motion approved with all ayes.

8. The 2017-18 FY Budget was reviewed. Debi made a motion, with Kym seconding, to amend the 2017-18 FY Budget. Motioned approved with all ayes.

9. The 2018-19 FY Budget was reviewed. Debi made a motion, with Joe seconding, to amend the 2018-19 FY Budget. Motioned approved with all ayes.

10. A tax rate for 2018 was discussed. To meet budgetary needs, a 2018 tax rate of \$0.546787 per \$100 of value was proposed. All 5 members of the Board voted yes for the proposed tax rate of \$0.546787. A Public Meeting to Discuss the 2018 proposed tax rate is scheduled for 7:30 pm on Thursday, August 30th, 2018, and the Meeting to Adopt a New Tax Rate was scheduled for 7:35 pm on Thursday, August 30th, 2018. Both meetings will be held at the Treasure Island Community Building, 146 Fathom, Freeport, TX 77541.

11. Kym made a motion, with Joe seconding, to adjourn the meeting. Motioned approved with all ayes. John adjourned the meeting at 11:30 am.

October 20th, 2018

John Sparks, President, Treasure Island MUD Board of Directors