

Bolivar Peninsula Special Utility District  
Minutes of the Regular Meeting, November 14 2017

Directors Present

George Strong, Vice President  
Wayne Turk  
Maria Skewis  
Dennis Stafford  
Hollis Gassen, President

Staff Present

Jo E. Ball, General Manager  
Barbara Cowie, Office Manager

Others Present

None

Item 1 Call to Order: At 6:29 PM President, Hollis Gassen, declared a quorum present and called the meeting to order.

Item 2 Pledge of Allegiance and moment of silence: The Pledge of Allegiance was led by Mr. George Strong and cited by all present. Afterwards, a moment of silence was observed.

Item 3 Approve minutes of the meeting of October 10, 2017:

Motion made by George Strong and seconded by Dennis Stafford to approve the October 10, 2017 minutes as presented. Motion passed.

Item 4 Committee Reports:

Audit & Finance: Mr. Dennis Stafford reported the Audit and Finance Committee had met earlier today and reviewed the District's invoices, check registers and bank statements for October and found everything to be in order.

Item 5 Public Comments: There were no public comments.

Item 6 Manager's Report: The manger's report was presented by Mr. Jody Ball and the following items were reported and/or discussed:

1) A Review of Trial Balance, Comparative Budget Report and Account Balance Summary List: The board reviewed the Trail Balance Report, Comparative Budget Report and the Account Balance Summary through October and found everything to be in order.

2) Review System Operational Reports:

\* District Water Losses. The District experienced a four month average water loss through October of 11%.

\* The District has 4858 active accounts through October. In October, 3 accounts were liquidated and 64 shut offs for non-payment.

\* Total water sales for October were \$285,094.50.

\* Average monthly water bill for October is \$58.93.

\* Water pumped was 24.2M gallons and water sold was 14.9M gallons with a loss difference of 9.3M gallons. There were 3 leaks repaired.

\* No reportable accidents or incidents during the month of October.

3) Review current infrastructure projects: New elevated tank survey and design in progress. Repairs will be needed on High Island generator. Reviewed post storm Harvey issues and a need for discussion with LNVA on water plant operation procedures during routine and non-routine situations. Jo Ball will to meet with LNVA water plant manager.

4) Rollover Pass: There is no additional information available

5) Personnel: Down one employee

6) Finances:

Net income for the month of October is \$18,276.

7) Hurricane Preparedness Plan: Reviewed and approved updates to the District's plan.

Item 7 Discussion and possible action to approve 2017 Election Results:

Motion made by Dennis Stafford and seconded by Wayne Turk to approve election results. Motion passed unanimously.

Item 8 Administer Oath to newly elected Board member: The Oath of Office was administered to the President.

Item 9 Discussion and possible action to approve appointment of a new Board member:

Motion was made by Wayne Turk and second by George Strong to advertise for Board member position with applications due by December 31 to BPSUD office. Motion passed unanimously.

Item 10 Update and possible action on Texas Water Development Board negotiations:

There were three points identified during the informal negotiations with TWDB to change bond covenants: 1) eliminate the debt for LNVA; 2) new calculation for the 30% Reserve Fund; and, 3) the District can use funds in its Operational Reserve account for capital expenditures without a requirement to repay the funds used. TWDB's Board of Directors will discuss and consider these three points during their December meeting. This item is tabled until the District's December meeting.

Item 11 Discussion and possible action to approve 2017 Budget amendments:

The Board reviewed each line item that vary more than 10% from 2017 projected budget. Motion was made by Dennis Stafford and second by George Strong to approve the amendments to the 2017 Budget as presented. Motion pass unanimously.

Item 12 Discussion and possible action on 2018 Budget

The Board reviewed the proposed 2018 Budget. This item was tabled until the December meeting. The District is waiting for LNVA's budget outlining actual costs and projected health insurance costs for the District's employees.

Item 13 Directors comments regarding Future committee meetings:

- A. Audit and Finance Committee – No meeting planned
- B. Personnel and Policy - No meeting planned
- C. Plant and Product Committee - No meeting planned
- D. Public Relations Committee – Revised story on post-Harvey article sent to TRWA, waiting response from TRWA

Item 14 Directors Comments regarding future agenda items:

- 1) Employee health insurance
- 2) Auditor engagement letter
- 3) TWDB negotiation
- 4) 2018 Budget Review
- 5) New Director application reviews
- 6) Election of officers

Item 15 Set the Date for the Next Meeting: Next meeting date is set for December 12, 2017.

Item 14 Adjournment: Motion by George Strong and seconded by Maria Skewis. Meeting adjourned at 7:40 PM.

CERTIFICATION

I, the undersigned, do hereby certify the above to be a true and accurate record of the Bolivar Peninsula Special Utility District Board of Directors' meeting conducted on November 14, 2017.

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Hollis Gassen - President