

Bolivar Peninsula Special Utility District
Minutes of the Regular Meeting, November 9th, 2021

Directors Present

Hollis Gassen, President
George Strong, Vice President
Maria Skewis, Secretary
Bradley Metz
Wayne Turk
DJ Hutchinson

Staff Present

Sheila Cunningham
Barbara Cowie
Clifford Howard

Others Present

Joe Bass of Higginbotham

Item 1 Call to Order: At 6:02 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 October 12th General Meeting:

A motion was made by George Strong and seconded by Bradley Metz to approve the October 12th minutes. Motion unanimously passed.

Item 4 Committee Reports:

Audit & Finance: Wayne Turk reported that the committee met and reviewed all invoices and bank statements for October and found all items to be in order.

Item 5 Public Comments:

None

Item 6 Administration of oath of office to new Board members:

The oath of office was administered to Board member DJ Hutchinson.

Item 7 Manager's Report: The manager's report was presented by Ms. Sheila Cunningham. 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 Trial 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 of 5.26% and 12.51% loss for October.

* The District has 5,749 active accounts through October. In October, 3 accounts were liquidated and 60 were shut-off for non-payment.

* Total water sales for October was \$342,369.00

*Average water bill for 2021 is \$61.08 and the monthly average for October was \$60.88.

* Water pumped was 33.5M gallons and water sold was 19.6M gallons with a loss difference of 13.9M gallons due to District flushing lines, fire department usage and county usage. There were 8 leaks repaired. There was 0 reportable accidents for the month and 0 injuries.

3) Finances: Net income for October is \$116,704

4) Review activities:

- The District installed a culvert per a request from TX Dot. The installation resulted in damage to an AT&T line. Prior to the District installing the culvert, the District called 811 to mark AT&T's line.
- A boil water notification was in place from Nov. 2nd to Nov 4th due to leak on Tuna Road. This is the first time the TCEQ had authorized the District to issue the notice to only neighborhoods affected versus the entire Peninsula.
- Maintenance list for various Plant sites: 1) Roof repairs are being conducted on the Bolivar Plant; and 2) High Island South tank is being cleaned.
- Personnel: One person resigned. One person has returned from medical leave. One person has been hired.
- The three GLO application are still in the comment period. No change in status.
- The new vehicle the District ordered in February will be delivered in November.
- The new elevated water tank that is being constructed in Crystal Beach is on schedule. The supporting rings should be completed by next week.

Item 8 Discussion and possible action on electing new Board officers:

A motion was made by Wayne Turk and seconded by George Strong to reinstate current officers (President – Hollis Gassen; Vice President – George Strong; Treasurer – Chris Makin; Secretary – Maria Skewis) to their current positions. Motion passed unanimously.

Item 9 Discussion and possible action regarding TCEQ Notice of Violations:

Nine of the seventeen Customer Service Inspections have been completed. Engineering is reviewing pump capacity issues. The dead line for resolving these violations is December. The Board will review these issues at the next meeting.

Item 10 Discussion and possible action regarding follow-up on Management conference:

Clifford presented a summary of the Management Conference Sessions he attended on record retention, TRWA audit on energy conservation and TRWA programs on leak detection. No action required.

Item 11 Discussion and possible action on Proposed FY 2022 Budget:

The Board reviewed the 2022 proposed budget with new modifications. Board members will continue to review the proposed budget. The item was tabled until the December meeting.

Item 12 Discussion and possible action on Vehicle Ordering for 2022:

Quotes are unavailable at this time. The item was tabled until the December meeting.

Item 13 Discussion and possible action to Approve Property Insurance renewal 2021-2022:

The Board reviewed a presentation of insurance renewal proposal by Joe Bass of Higginbotham and compared it to the current insurance costs and terms. A motion was made by Wayne Turk and seconded by George Strong to accept the costs and terms as presented to not exceed \$64,255 with possibility of raising the deductible on vehicles and including coverage on radios. Motion passed unanimously.

Item 14 Discussion and possible action regarding Customer Request for Richard James:

A motion was made by George Strong and seconded Wayne Turk to reimburse Richard James \$125 for half of a plumbing bill. Motion passed unanimously.

Item 15 Discussion and possible action regarding Undine Billing Agreement:

Undine's contract has expired and is currently operating on a month-to-month basis. As AVR postage rates are increasing, the District's General Manager will contact and negotiate with Undine to cover the District's increase costs. The item was tabled until the December meeting.

Item 16 Discussion and possible action regarding health insurance renewal:

The Board reviewed a proposal for renewing its employee health insurance. A motion was made by George Strong and second by Bradley Metz to accept the renewal proposal as presented with moving the coverage from 13 employees to 16. Motion passed unanimously.

Item 17 Discussion and possible action on advertising vacant board position:

Hollis will contact previously interviewed candidates to determine their interest. A motion was made by George Strong and seconded by Wayne Turk to authorize the General Manager to post the vacant Board position. Motion passed unanimously.

Item 18 Discussion and possible action on repairing and replacement of VFD for High Island South

The Board reviewed a quote to replace the drive on a pump at the High Island South Plant. A motion was made by Wayne Turk and seconded by George Strong to replace VFD for High Island South for \$5,560. Motion passed unanimously.

Item 19 Director's comments regarding future committee meetings

Audit and Finance Committee – None
Personnel and Policy Committee – None
Public Relations Committee - None

Item 20 Director's comments regarding future agenda items

- (1) Progress of water tower construction
- (2) Bolivar ground tank maintenance
- (3) GLO applications status
- (4) TCEQ notice of violations
- (5) New vehicles for 2022
- (6) Proposed 2022 Budget
- (7) Undine terms
- (8) Open Board position

Item 21 Set date for next regular Board meeting for December 14, 2021

Item 22 Adjournment:

A motion was made by Wayne Turk and seconded by Maria Skewis to adjourn tonight's meeting at 8:07 PM. Motion passed unanimously.

CERTIFICATION

I, the undersigned, do here by certify the above to be a true and accurate record of the Bolivar Peninsula Special Utility District Board of Directors' meeting conducted on November 9, 2021 .

Maria Skewis, Secretary