Bolivar Peninsula Special Utility District
Minutes of the Regular Meeting, April 9th, 2024

Directors Present
Maria Skewis, Secretary
Bradley Metz, President
Mark Ivy
Mark DeSantis
Mike Hoover
Dean Crooks
Kerry Aycock
Beth Termellia

Staff Present
Barbara Cowie, Office
Sheila Cunningham, GM
Cliff Howard, Operations
Donald Crawford, Plant

Others Present
Ed Travino

Item 1 Call to Order: At 6:00 PM Bradley Metz, 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 Mark DeSantis and cited by all present. Afterwards, a moment of silence was observed.

Item 3 Approve minutes of the March 12th General Meeting:
A motion was made by Mark DeSantis and seconded by Mark Ivy to approve the March 12th general meeting minutes. Motion unanimously passed.

Item 4 Committee Reports:
Audit & Finance:
The committee met and reviewed all invoices and bank statements for March and found all items to be in order.

Public Relations Committee
Mark DeSantis reported on the public workshop for developers held last Friday. Information on BPSUD processes and procedures were presented and discussed.

Item 5 Public Comments
Mr. Ed Travino attended for information purposes and interest in the work of BPSUD

Item 6 Manager's Report: The manager's report was presented by Sheila Cunningham, Barbara Cowie and Cliff Howard. The following items were reported and/or discussed:
1) The Board reviewed the Trial Balance Report, Comparative Budget Report and the Account Balance Summary through March 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 6.39% and 12.1% for March.

* The District has 6456 active accounts through March. In March, 0 accounts were liquidated and 90 were shut-off for non-payment.
* Total water sales for March were $419,617.
*The average water bill for 2024 is $68.54 and the monthly average for March was $67.19.
* Water pumped was 27.5M gallons and water sold was 15.7M gallons with a loss difference of 11.8M gallons for District flushing, County usage and fire department usage. There were 16 leaks repaired. There were 0 reportable accident for the month and 0 injuries.

3) Review activities:
Three staff members left in March. One new hire is scheduled to start in mid April; one field position has been filled.

4) Finances: Net income for March is $185,129.

<u>Item 7 Update on Capital projects</u>
Bolivar plant upgrades are in engineering. Tabled until next meeting

<u>Item 8 Discussion and Possible action on acceptance of Board member Delburn Hutchinson resignation</u>
Motion by Maria Skewis and seconded by Mark DeSantis to accept the resignation of Delburn Hutchinson. Motion passed unanimously

<u>Item 9 Discussion and possible action on Swearing in New Board Members</u>
Two new Board member were administered oath by Barbara Cowie. New members are Beth Terminella and Kerry Aycock.

<u>Item 10 Discussion and possible action on FYE 2023 Audit Report</u>
J. R. Edwards presented 2023 Annual Financial Report.
Motion by Mark Ivey and seconded by Mark DeSantis to accept the audit report as presented by J.R. Edwards. Motion passed unanimously.

<u>Item 11 Discussion and possible action on Employee Health Insurance policy</u>
Sheila presented and discussed comparison of Health insurance provider's costs and coverage.
Motion by Kerry Aycock and seconded by Mark Ivey to accept Allstate plan with supplemental coverage. Motion passed unanimously.

<u>Item 12 Discussion and possible action on Pump and Motor Repair</u>
Cliff Howard presented comparison of pump repair cost versus pump replacement.
Motion by Dean Crooks and seconded by Mark Ivey to authorize expense to purchase replacement motor as presented. Motion passed unanimously.

Item 13 Discussion and possible action on Customer Meter Replacement plan
Beth, Mark DeSantis and Kerry will attend presentation of replacement meter options. No action required

Item 14 Discussion and possible action on Auctioning Surplus equipment
Sheila presented list of equipment for surplus/salvage auction.
Motion by Mark Ivey and seconded by Dean Crooks to approve the list of surplus and salvage equipment for auction. Motion passed unanimously.

Item 15 Discussion and possible action on Update Service Policy regarding water / sewer crossing
Sheila presented information on requirements for separations between water and sewer lines. Review of proposed changes to BPSUD Policy Section 19 Standards for Water Service Lines.
Motion by Dean Crooks and seconded by Kerry Aycock to accept changes to BPSUD Policy Section 19 as presented. Motion passed unanimously.

Item 16 Discussion and possible action on Drought Contingency Plan review and approval
Sheila reviewed changes to the Drought Contingency Plan as negotiated with TCEQ regarding emergency interconnection between LNVA and Trinity Bay Conservation District. Motion by Dean Crooks and seconded by Kerry Aycock to accept changes to the Drought Contingency Plan as presented. Motion passed unanimously.

Item 17 Discussion and possible action on Quarterly Investment Plan.
Brad Metz presented the Quarterly Investment Plan. Motion by Dean Crooks and seconded by Mark Ivey to accept the Quarterly Investment Plan as presented. Motion passed unanimously.

Item 18 Discussion and possible action on Global Release of Temporary Construction Easement
Sheila reviewed Global Release of Temporary Construction Easements and issues. Motion by Maria Skewis and seconded by Mark DeSantis to accept Global Release of Temporary Construction Easement as presented. Motion passed unanimously.

Item 19 Discussion and possible action on Loan Application
Application is pending Drought Contingency Plan. Tabled until next month meeting.

Item 20 Executive Session: Meet in closed session as follows:

A) Pursuant to 551.072 Deliberation Regarding Real Property
7:11 PM

B) Pursuant to 551.074 Personnel
7:34 PM

Item 21 Reconvene in open session
7:54 PM

Item 22 Consideration and possible action regarding Executive Session
No action required

Item 22 Director's comments regarding future committee meetings

- Audit and Finance Committee
- Personnel and Policy Committee
- Public Relations Committee
- Line Capacity Committee
- Customer Meter replacement Committee

Item 23 Director's comments regarding future agenda items

1. Bolivar Plant Upgrades
2. Customer Meter replacement options
3. Review of Investment policy
4. Loan application status
5. Base pay rates versus merit pay
6. New website status

Item 24 Set date for next regular Board meeting for May 14th, 2024.

Item 25 Adjournment:

A motion was made by Maria Skewis and seconded Mark Desantis to adjourn at 7:59 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 April 9th, 2024.

Maria Skewis, Secretary