

Bolivar Peninsula Special Utility District
Minutes of the Regular Meeting February 10, 2009

Directors Present

Lynette Johnson-Hardcastle, President
George Strong, Vice President
Vicki Cartwright, Secretary
Maria Skewis
Mary Ellen Smith
Dennis Stafford
Roger Welch

Staff Present

Jennifer McKnight, Gen. Mgr.
Clifford Howard, Utility. Mgr.
Barbara Cowie, Office Mgr.

Others Present

Guy Goodson
Rick Bourque
Jim Hayes
Mark L. Rodriguez
Richard Rodriguez
Julia Smith
Wallis Smith
Charlie Danna
John Johnson
Jeanne Thomann
Donald Harkness
David Hoelzer
Kurt Rodriguez
Cindy Rodriguez
Tom Harrison
Dan Reynolds
Adrian van Leuzen
Kathryn van Leuzen

Item #1 Call to Order: President Johnson-Hardcastle declared a quorum present and called the meeting to order at 4:02 p.m.

Item #2 Pledge and Moment of Silence: The Pledge of Allegiance was cited by all present and a moment of silence was observed.

Item #3 Minutes: **Ms. Cartwright made a motion to approve the minutes for the meeting held on January 13, 2009 and to approve the revised minutes from the meeting held December 16, 2008. Ms. Skewis seconded the motion. Motion passed. (Unanimous)**

Item #4 Public Comments: Mr. Richard Rodriguez stated he no longer wanted to speak if he could not ask a question. Mr. Mark Rodriguez stated he wanted to speak regarding a letter he received forcing him to sign an easement form. He asked that the Board place this item on the agenda next month as he does not want to give up his property rights and the easement form requires him to do so. Ms. Jeanne Thomann stated she is here to speak about the water bill she received after the storm. She stated she has a high bill because no one turned off her meter after it was discovered she had a leak. She stated that if the employees had turned off her water she would not have such a high usage. She stated she has discussed this with Craig Eiland's office and Patrick Doyle's office and they all agree she should not be responsible for this bill. She stated that she would like for the Board to waive the bill because she should not be responsible for the leak. Mr. David Hoelzer stated that he is speaking on behalf of the Bolivar Peninsula Chamber of Commerce, Keith Zahar, and himself as a business owner. He stated that he would like for the Board to know that they are all in favor of the District entering into a billing agreement with Bolivar Utility System. Mr. Hoelzer stated that he uses the wastewater system for his business and he would like the sewer bill to be consolidated with the water bill as it is more economical for the users. He also stated that he believes future progress of the Peninsula depends on the availability of a sewer system and elimination of septic systems.

Item #5 Committee Reports: Mr. Stafford reported that the Audit and Finance Committee met and reviewed the check registers and bank statements for January and found that all was in order. Ms. Smith stated that the Personnel and Policy Committee met to draft a policy to assist customers with leaks caused by the hurricane. She stated she will defer her report and recommendation to Item No. 8 on the agenda.

Item #6 Manager's Report: Ms. McKnight presented the manager's report and discussed the following:

- System Operational Reports.
- Trial Balance, Comparative Budget Report, and Account Balance Summary List.
- Insurance payments received for facilities damaged by Hurricane Ike.
- FEMA reimbursement issues and payments received for facilities and infrastructure damaged by Hurricane Ike.
- Schedule development for replacement and/or repairs to facilities damaged by Hurricane Ike.

Item #7 Secretary Appointment: **Ms. Smith made a motion to appoint Vicki Cartwright as Secretary of the Board. Mr. Strong seconded the motion. Motion passed. (Unanimous)**

Item #8 Administrative Policy A-11: Ms. Smith made a motion to approve version B (attached) of Administrative Policy A-11 (Hurricane Ike Leak Adjustment Policy). Ms. Cartwright seconded the motion. Motion passed. (Unanimous)

Item #9 Grant Update: Mr. John Johnson with Carl Griffith and Associates stated that they are pursuing several grant options for the District. He stated that there is \$814 million Ike recovery funds that will be available to cities and counties. He stated that the District will have to go through Galveston County to receive this funding as Districts are not eligible on their own. He stated that there are other grants that will be available through USDRA, FEMA and HUD, but he said it will all be a very slow process.

Item #10 BUS Billing Agreement: Ms. Smith made a motion to approve the billing services agreement with Bolivar Utility Systems with changes as follows: Section 12 to be revised to state reconnection will occur when informed by BUS and that BUS is responsible for collection of debt, and Section 15 deleted. Mr. Welch seconded the motion. Motion passed. (Unanimous)

Item #11 Engineering Agreement: Mr. Strong made a motion to approve the engineering agreement with Dunham Engineering for repairs to District storage tanks damaged by Hurricane Ike. Mr. Stafford seconded the motion. Motion passed. (Unanimous)

Item #12 Kever Easement: Ms. Smith made a motion to approve the utility easement submitted by Graham Kever for account number 5095. Ms. Skewis seconded the motion. Motion passed. (Unanimous)

Item #13 Car Allowance for Temporary Workers: Ms. Cartwright made a motion to approve \$100 per month car allowance for two temporary workers through April 2009. Ms. Skewis seconded the motion. Motion passed. (Unanimous)

Item #14 TRWA Appreciation Letter: Ms. Cartwright made a motion to approve a letter from the District Board to Texas Rural Water Association for assistance after the storm and for the subsequent article in TRWA publication regarding the District's recovery efforts. Ms. Skewis seconded the motion. Motion passed. (Unanimous)

Item #15 Quarterly Investment Report: Mr. Strong made a motion to approve the fourth quarter 2009 Quarterly Investment Report. Mr. Stafford seconded the motion. Motion passed. (Unanimous)

Item #16 Director Appointment: Guy Goodson stated that the Texas Water Code requires the Board to act to fill a vacated position within 60 days. Mr. Strong suggested the Board advertise for resumes and interview candidates. President Johnson-Hardcastle stated the Personnel and Policy Committee can perform the interviews and make a recommendation to the Board. Ms. Smith asked Ms. McKnight to put an advertisement in the Beach Triton.

Item #17 Executive Session: The open meeting was closed at 5:45 p.m. to allow the Board to meet in closed or executive session pursuant to §551.072 of the Texas Open Meetings Act for deliberation regarding purchase or sale of real property.

Item #18 Reconvene Open Meeting: The open meeting was reconvened at 6:10 p.m.

Item #19 Action on Executive Session: No action taken.

Item #20 Director's Comments Regarding Future Agenda Items: Ms. Smith stated that Mr. Guidry will be sorely missed by the Board. Mr. Strong requested the Board present a resolution in honor of Mr. Guidry at next month's meeting.

Item #21 Next Meeting: The next meeting was set for Wednesday, March 11, 2009. President Johnson-Hardcastle asked Ms. McKnight to see if its possible to have the next meeting at Crenshaw School.

Item #22 Adjournment: Ms. Cartwright made a motion to adjourn at 6:23 p.m. Mr. Strong seconded the motion. Motion passed. (Unanimous)

CERTIFICATION

I, the undersigned, do certify the above to be a true and correct record of the meeting of the Board of Directors of the Bolivar Peninsula Special Utility District, February 10, 2009.

Vicki Cartwright, Secretary