

Bolivar Peninsula Special Utility District  
Minutes of the Regular Meeting June 9, 2009

**Directors Present**

Lynette Johnson-Hardcastle, President  
George Strong, Vice President  
Al Altemus, Treasurer  
Vicki Cartwright, Secretary  
Hollis Gassen  
Maria Skewis  
Mary Ellen Smith

**Staff Present**

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

**Others Present**

Guy Goodson  
Rick Bourque

Item #1 Call to Order: President Johnson-Hardcastle declared a quorum present and called the meeting to order at 6:02 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: **Mr. Altemus made a motion to approve the minutes for the meeting held on May 12, 2009. Mr. Gassen seconded the motion. Motion passed. (Unanimous)**

Item #4 Public Comments: None

Item #5 Committee Reports: *Audit and Finance Committee:* meeting was not held and no report was provided.

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

- System Operational Report and Director's Report.
- 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.

Item #7 Financial Assistance Application: **Ms. Smith made a motion to approve amended Financial Assistance Application to Texas Water Development Board ("TWDB") for issuance of the Bolivar Peninsula Special Utility District Exchange Refunding Bonds, Series 2009 (the "Bonds") and authorize Board officers to execute amended Financial Assistance Application Affidavit, Application Resolution and other affidavits, certifications and documentation necessary for submittal of the amended Financial Assistance Application. Mr. Altemus seconded the motion. Motion passed. (Unanimous)**

Item #8 Order for Bond Issuance: **Ms. Smith made a motion to approve Order authorizing the issuance of the Bolivar Peninsula Special Utility District exchange refunding bonds; providing for payment of said bonds by pledge of certain net revenues derived from the operation and ownership of the district's waterworks system; specifying the terms and provisions of such bonds; making covenants and agreements in relationship to the issuance of said bonds and resolving other matters and related to the issuance, sale and delivery of said bonds. Mr. Strong seconded the motion. Motion passed. (Unanimous)**

Item #9 Resolution Supporting LNVA Exchange Bonds: **Ms. Smith made a motion to adopt Resolution in support of Financial Assistance Application of the Lower Neches Valley Authority ("LNVA") for the issuance of LNVA Exchange Revenue Bonds for the LNVA Contract Revenue Bonds, Series 2000; and approval of transfer of funds from Bond Fund to the Reserve and Redemption Fund. Ms. Skewis seconded the motion. Motion passed. (Unanimous)**

Item #10 LNVA Exchange Bonds: **Ms. Smith made a motion to approve the issuance by LNVA of Exchange Refunding Bonds for the LNVA Contract Revenue Bonds, Series 2000 in accordance with §8.3 of the Water Supply Contract between the LNVA and the District. Ms. Skewis seconded the motion. Motion passed. (Unanimous)**

Item #11 Bond Covenants for Exchange Bonds: **No action taken.**

Item #12 Wastewater Planning Grant Extension Request to TWDB: Ms. McKnight stated that Galveston County is applying for a grant through the Office of Rural Community Affairs (ORCA) to fund a wastewater treatment system on the Peninsula and they want the District to be the owner of the system. She explained that the study performed by the District through the Texas Water Development Board grant may need some changes to reflect a possible system provided by the County. She stated that this

item should be tabled until next month to allow more time for her and the engineer to learn more about the County's plan. **No action taken.**

Item #13 TWDB Meeting Attendance by Board President: **Mr. Strong made a motion to approve Board President attendance at the Texas Water Development Board meeting on June 18, 2009 at a cost not to exceed \$550.00. Ms. Skewis seconded the motion. Motion passed. (Unanimous)**

Item #14 Director's Comments Regarding Future Agenda Items: Mr. Strong stated he would like to have a discussion item placed on next month's agenda regarding the Board's ability to remove a Director from the Board if he or she has missed six consecutive meetings.

Item #15 Next Meeting: The next regular meeting was set for Tuesday, July 14, 2009.

Item #16 Adjournment: **Ms. Smith made a motion to adjourn at 7:32 p.m. Mr. Altemus 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, June 9, 2009.**

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**Vicki Cartwright, Secretary**