

## Bolivar Peninsula Special Utility District Minutes of the Regular Meeting May 10, 2011

### Directors Present

George Strong, Vice President  
Mary Ellen Smith, Treasurer  
Hollis Gassen, Secretary  
Dennis Stafford  
Wayne Turk  
Roger Welch

### Staff Present

Jo E. Ball, General Mgr.  
Barbara Cowie, Office Mgr.  
Clifford Howard, Plant Mgr.  
Kenneth Strimple, Field Mgr.

### Others Present

Susan Guidry  
Chris Makin

Item #1 Call to Order: Vice-President George Strong declared a quorum present and called the meeting to order at 6:00 PM.

Item # 2 Pledge of Allegiance and Moment of Silence: Pledge of Allegiance was lead by Mr. Dennis Stafford and cited by all present. A moment of silence was observed.

Item # 3 Approve the Minutes of the Meeting on April 12, 2011: Ms. Mary Ellen Smith had corrections to items 10 and 13. Mr. Wayne Turk made a motion to approve the minutes of the April 12<sup>th</sup> meeting with two noted corrections. The motion was seconded by Mr. Dennis Stafford. The motion passed. (Unanimously)

Item # 4 Approve the Minutes of the Special Meeting on April 19, 2011: Mr. Hollis Gassen noted three corrections to the minutes. Ms. Mary Ellen Smith made a motion to approve the minutes of the April 19<sup>th</sup> Special Meeting with the three noted corrections. The motion was seconded by Mr. Hollis Gassen. The motion passed. (Unanimously)

Item #5 Public Comments: There were no public comments.

Item #6 Recognition of Ms. Susan Guidry for 5 Years of Dedicated Service to the Bolivar Peninsula Special Utility District: Ms. Susan Guidry was recognized for her outstanding service to the District by Mr. Jo Ball and the Board of Directors. A plaque and a five (5) year service award check was presented to Susan.

### Item #7 Committee Reports:

Audit & Finance: Mr. Dennis Stafford reported that the Audit and Finance Committee met earlier today and reviewed the District's check registers, invoices, and bank statements for March 2011. All were found to be in order.

Item # 8 Manager's Report: The manager's report was presented and the following items

were reported/discussed:

- 1) Review of Trial Balance, Comparative Budget Report and Account Balance Summary List was conducted. All items are in order. Mr. Jo Ball asked the Budget Committee to meet with him in the near future to review the current budget versus actual expenses and income year to date.
- 2) Review System Operational Reports and Director's Report
  - \* Report from the General Manager on District Water Losses. There was an unaccounted water loss during April of 4.67%. The District received a Doppler meter to assist in locating and determining water losses. The District is in the process of calibrating line meters against the Doppler meter.
  - \* For April there were 33 new accounts. Total accounts are 3,242.
  - \* Report on FEMA Reimbursement Issues and Payments Received for Facilities and Infrastructure Damaged by Hurricane IKE. The District received two (2) checks from FEMA totaling \$15,156 during April. In addition the District will receive \$186,000 for the replacement of damaged water meters in approximately six to eight months. Mr. Jo Ball will submit a request to receive a percentage of funds from FEMA pending their final audit. The balance will be paid after FEMA performs a final audit.
  - \* Report on Insurance Payments Received for Facilities Damaged by Hurricane IKE. The District received three (3) checks from TML (Texas Municipal League) during April totaling \$49,000. With advice from the District's legal council, the checks will be held in the District's office until the pending law suit is settled with TML.
  - \* Update on BUS Activities. Bolivar Utility Services, LLC updated and submitted a list of subdivisions they are currently servicing; along with a list of subdivisions they are permitted to serve.
  - \* Report on District's Infrastructure Projects. The General Manager reported on re-building the District's office building. The office area should be surrounded by a construction fence and the roof should be removed next week.
  - \* There was one (1) reportable accident in April. This occurred on the Bolivar Ferry. The District employee was determined not to be at fault. The case is considered closed.

Item #9 Consideration and Possible Action to Appoint New Directors to Fill Vacant Seats: Mr. Hollis Gassen reported that as of May 10<sup>th</sup>, the District has not received any applications to fill the vacant Director's position.

Item #10 Consideration and Possible Action to Change Insurance Coverage: Mr. Edwards has compiled a proposed quote for the District's insurance. The Insurance Committee will to review the proposal prior to Mr. Edwards forwarding the proposal to insurance carriers for bids.

Item #11 Consideration and Possible Action to Amend Depreciation Amount on District Budget: The District's internal auditor requested that the District amend the depreciation amount on the budget's line item #5090 from \$367,476 to \$561,373. This is the result of the number of capital items the District acquired in 2010. Ms. Mary Ellen Smith made a

motion to amend the District's budget to increase the deprecation on line item #5090 from \$367,476 to \$561,373. The motion was seconded by Mr. Roger Welch. The motion passed. (Unanimously)

Item #12 Consideration and Possible Action to Approve the District's Quarterly Investment Report: Mr. Dennis Stafford reported on the Investment Report. The District earned \$26,631 on an interest rate of 2.56% during the first quarter of 2011. This rate will decline during the second quarter of 2011. The Investment Committee will continue to seek other means of investing the District's funds according to the District's Investment Policy. A motion was made by Ms. Mary Ellen Smith to approve the District's Quarterly Investment Report. The motion was seconded by Mr. Wayne Turk. The motion passed. (Unanimously)

Item #13 Consideration and Possible Action to Set a Date for the Policy Committee to Meet and Address the District's Policies: Chairman of the Policy Committee, Mr. Hollis Gassen, will discuss with Mr. Jo Ball and determine the policies to be reviewed and set a meeting date.

Item #14 Director's Comments Regarding Future Agenda Items:

- 1) Schedule a meeting with the Texas Water Development Board
- 2) Update the board on the District's web site

Item #15 Set the Date for Next Meeting: The date for the next regular meeting is June 14, 2011.

Item #16 Adjournment: A motion was made by Ms. Mary Ellen Smith to adjourn tonight's meeting at 7:22 PM. The motion was seconded by Mr. Wayne Turk. The motion passed. (Unanimously)

#### 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 on May 10, 2011.

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Hollis Gassen, Secretary