

Bolivar Peninsula Special Utility District
Minutes of the Regular Meeting November 13, 2009

Directors Present

Lynette Johnson-Hardcastle, President
George Strong, Vice President
Vicki Cartwright, Secretary
Dennis Stafford
Hollis Gassen
Jack Blume
Brad Vratis
Larry Webb
Roger Welch

Staff Present

Barbara Cowie, Office Mgr.
Clifford Howard, Plant Mgr.

Others Present

Rick Bourque
Guy Goodson
Pamela Couch
Shawn Pachlhofer
David Olson
Jerry Parker

Item #1 Call to Order: President Johnson-Hardcastle declared a quorum present and called the meeting to order at 6:01 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 Results Director Election: President Johnson-Hardcastle read the results of the November 3, 2009 Directors Election and declared the results as final. The results were as indicated in Attachment A.

Item #4 Order of Election Returns: **Mr. Strong made a motion to approve the Order of Election Returns for the November 3, 2009 Board of Directors Election. Ms. Cartwright seconded the motion. Motion passed. (Unanimous)**

Item #5 Directors Oath: Attorney Goodson gave the Administration of Oath to the Directors.

Item #6 Minutes: Mr. Hollis had a correction to item #7. Mr. Hollis stated that under LNVA's report the water pumped per day should read 150,000 and the actual volume should read 650,000 per day. **Mr. Strong made a motion to approve the minutes for the October 13, 2009 minutes with the above correction. Ms. Cartwright seconded the motion. Motion passed. (Unanimous)**

Item #7 Public Comments: There were no public comments.

Item #8 Committee Reports: Mr. Stafford reported that the Audit and Finance Committee had met and reviewed the check registers, invoices, and bank statements for October and found that all was in order. Mr. Stafford stated that President Johnson-Hardcastle and Mr. Blume had asked him to chair a Budget Committee which will be a subcommittee of the Audit and Finance Committee. Mr. Stafford, Mr. Gassen, and Mr. Strong met on November 2nd and November 12th to begin reviewing the District financial reports and records to develop a 2010 Draft Budget. Mr. Stafford said the committee would have something to present to the Board at the December meeting.

Item #9 Manager's Reports: The manager's report was presented and the following items were discussed.

- *System Operational Report and Director's Report
- *Trial Balance, Comparative Budget Report, and Account Balance Summary List.
- *Report on FEMA reimbursement issues and payments received for facilities and infrastructure damaged by Hurricane Ike.
- *Report on insurance payments received for facilities damaged by Hurricane Ike.
- *Report from Field and Plant Managers.

Mr. Strong said the Board might want to consider advertising the December deadline for customers to reapply for service without having to pay additional fees. He said he felt we should possibly advertise or

place a notice on the BPSUD website, the Chamber website, the CB local news website or the Beach Triton. After a time of discussion the Board agreed to do some type of notification at a minimum cost.

Item #10 Quarterly Investment Report: Ms. Cartwright made a motion to approve the Quarterly Investment Report for the third quarter of 2009. Mr. Gassen seconded the motion. Motion passed. (Unanimous)

Item #11 Report from Schaumburg & Polk, Inc.: Mr. Bourque gave an update on the District projects. Mr. Bourque said that the Singing Sands plant has been in service around three weeks now. He also reported that the final inspection was done on the Bolivar Elevated Tank November 10th and that the next item on the agenda is for the Board to accept Contract #2 and release the retainage. Allco is waiting on a couple of samples to come back good. Work remaining is connection to existing lines. Expect completion by mid-December.

Item #12 Accept the Bolivar Elevated Tank: Mr. Strong made a motion to accept the Bolivar Elevated Tank, Contract #2 and to release the retainage to Landmark Structures I, L.P.E. Mr. Stafford seconded the motion. Motion passed. (Unanimous)

Item #13 Report on TWDB Bonds: Attorney Goodson gave an update on exchange refunding of Series 2005, 2005A, 2007, 2007A Water System Revenue Bonds of the District. Mr. Goodson stated again that the draw downs will have to be completed before the bonds can be exchanged. It looks like that will happen sometime in December.

Item #14 Director's Comments: No comments.

Item #15 Set Next Meeting Date: The next Regular Meeting will be Tuesday, December 15, 2009.

Item #16 Director's Comments - Future Agenda Items: Mr. Stafford requested that President Johnson-Hardcastle place an item on the December agenda for discussion and possible action on the 2010 Budget.

Item #17 Adjournment: Ms. Cartwright made a motion to adjourn at 6:50 p.m. Mr. Webb 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, November 13, 2009.

Vicki Cartwright, Secretary