



# BEAR CREEK SUD

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**Date:** June 15, 2021

**Time:** 6:00PM

## MINUTES OF REGULAR BOARD MEETING

**Call to order by:** President Deborah Fato

**Directors Present:** Deborah Fato, Herman Stork, Colby McClendon, Leon Marshall

**Directors Absent:** Chris Elder, Leticia Harrison, Michael Dillon

**Public Comment:** *Lisa Block – Thank you for allowing me to speak. First, I would like to understand, from the current SUD Board President, the financial impact to the ratepayers given the judge’s decision on the rate appeal? Additionally, I would like to know if it is standard practice for a newly elected President to drive by current or former board members’ houses and take pictures? On Wednesday, June 9, 2021, Ms. Fato performed such action and has me wondering if this is in retaliation of my post on social media asking for an update on the recent rate appeal and what this meant to the ratepayers. Given her past history I want to know if myself and my family should be concerned for their safety, as well as would like an explanation of why she was taking pictures of my residence. I am aware that she and some of her friends have taken pictures of employees working in the past as well. If this is to intimidate or harass myself, a ratepayer, it needs to stop immediately.*

*President Fato: Thank you very much for your comment. I cannot comment on the Rate Appeal at this time, but I will meet with you personally on the other issue. If you will leave your information for me to contact you, I will contact you to set up a meeting time and place.*

**Discuss and act upon Board member resignation and possible action related to vacancy/appointment under Chapter 49 of the Texas Water Code.**

*Michael Dillon resigned via text message sent to Attorney, K. Fancher and to President D. Fato.*

*President D. Fato knows of some people that would like to apply. President D. Fato wants to interview candidates before appointment. The Board discussed using the same application as for the last vacancy appointment for evaluation of interested candidates.*

*Attorney K. Fancher: Bear Creek SUD has sixty days to appoint someone.*

*Motion made by Director H. Stork, seconded by Director L. Marshall to accept the resignation of Director Michael Dillon. Motion carried unanimously.*

**Consent Items:**

Approval of Minutes of Regular Meeting on April 20, 2021.

Approval of Minutes of Regular Meeting on May 18, 2021.

Approval of May 2021 Financials.

Approval of May 2021 General Manager Report.

*Motion made by Director H. Stork, seconded by Director C. McClendon to accept the consent agenda items. Motion carried unanimously.*

**Regular Agenda Items:**

- A. Discuss Pump Station 2 Project: *Contract was awarded to Crescent Constructors by Bear Creek SUD and Greater Texoma Utility Authority (GTUA). Paperwork has been sent to Texas Water Development Board (TWDB) for approval of contract to issue the Notice to Proceed to Crescent Constructors. All submittals from Crescent Constructors are being reviewed by Bear Creek SUD and Kimley-Horn.*
- B. Update on Cyber Security Awareness Training Reporting and Legislative Changes: *All employees and six board members completed the Cyber Security Awareness training. The information has been submitted to the State. No legislative changes were made that pertain to Bear Creek SUD. New board members will be required to complete the training for the 2022 report year.*
- C. Update from Website Committee: *Committee had one meeting by phone. The Committee wants to add a profile and a picture for each board member on the Bear Creek SUD web site. Pictures of board members will be taken at the July 20, 2021, Board meeting, and the director profile form will be amended and provided at the July 20, 2021 meeting.*
- D. Discussion and consideration of tower lease offer and existing lease term ending: *Attorney, K. Fancher, has sent a letter to the existing tenant for renewal or termination of contract. An offer was received from an additional internet company to lease space.*

*Motion made by Director L. Marshall, seconded by Director C. McClendon to authorize Attorney, K. Fancher, to engage with other prospective tenants. Motion carried unanimously.*

*Motion made by Director C. McClendon, seconded by Director H. Stork for Attorney, K. Fancher, to issue a response on the current offer that includes structural review by Kimley-Horn and legal prior to submission to the Board for approval and for the telecom company to pay those fees. Motion carried unanimously.*

- E. Discuss and consideration of bylaws: *Attorney, K. Fancher, stated that when the company converted from a water supply corporation to a special utility district Bylaws converted to a Rate Order. SUDs normally do not have Bylaws as water supply corporations do, but the example in the packet is one from a SUD. The Board discussed and requested that Attorney Fancher take the existing Board Policies and add Bylaws to be reviewed at the next Board meeting.*
- F. Discuss and consideration of Audit Committee: *Chapter 49 of the Texas Water Code requires a Special Utility District to have an audit committee. The Board discussed the desire to create one when more members are present. Tabled for July 20, 2021, Board meeting.*
- G. Discuss and consideration of Certificate of Convenience and Necessity (CCN) Amendment for CCN boundary in Elevon subdivision: *The Elevon subdivision requests that the Bear Creek SUD CCN and the Nevada SUD CCN be divided at the Atmos gas line to give a more distinct boundary between the two SUDs.*

*Motion made by Director H. Stork, seconded by Director L. Marshall to accept the proposed changes for the CCN boundary between Bear Creek SUD and Nevada SUD. Motion carried unanimously.*

- H. Discuss and consideration of provision of wastewater operational and billing services to a portion of MUD No. 5: *The Board discussed the request to provide wastewater services to a portion of the SUD boundaries, and the qualifications/certifications of existing employees that meet the wastewater operations requirements.*

*Motion made by Director H. Stork, seconded by Director C. McClendon to pursue further investigation of providing wastewater services to MUD No. 5. Motion carried unanimously.*

- I. Discuss current/future development and non-standard service requests: *Subdivisions under development within Bear Creek SUD CCN are Lakepointe, Elevon, Lavon Farms, Bear Creek Phase 3, Crestridge Meadows, Traditions Phase 2 and Moores Lake Estates.*

**Adjournment to Executive Session at 8:10PM:**

**Executive Session:**

**Executive Session Call to Order at 8:16PM.**

**Executive Session Agenda Items:**

- (A) The Board may recess into closed or executive session to discuss the following:
  - (1) Government Code §551.074. Personnel Matters – discussion of appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or District employee.
  - (2) Government Code §551.071. Ratepayers Public Utility Commission Petition Appealing District’s Rates – Docket No. 49351.
  
- (B) Reconvene into Regular Session and take any action necessary as a result of the Executive Session.

**Adjourn Executive Session at 9:50PM**

In accordance with Texas Government Code, Section 551.001, Vice-President Herman Stork reconvened the meeting at 9:50PM and stated that no action was taken in executive session.

**Adjournment at 9:51PM:**

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Deborah Fato, President

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Colby McClendon, Secretary

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Camille Reagan, Recorder