



# BEAR CREEK SUD

---

---

Telephone 1-972-843-2101 • P.O. Box 188  
Lavon, Texas 75166

**Date:** July 20, 2021

**Time:** 7:00PM

## MINUTES OF REGULAR BOARD MEETING

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

**Directors Present:** Deborah Fato, Herman Stork, Chris Elder, Leticia Harrison, Colby McClendon, Leon Marshall

**Directors Absent:** None

**Public Comment:** None

**Board Workshop:** The Board will evaluate and discuss the following items: Water supply, long-term strategic planning, and Board governance matters. No action will be taken on any of these items. The Board may recess into executive session regarding any of the above-referenced Board workshop items pursuant to the Notice on the last page of the agenda.

*Board Workshop tabled to future meeting.*

### **Consent Items:**

Approval of Minutes of Regular Meeting on June 15, 2021.

Approval of June 2021 Financials.

Approval of June 2021 General Manager Report.

*Discussion of resignation of Michael Dillon. President Fato stated that Mr. Dillon resigned due to residence issues. Mr. Dillon moved to Copeville and had intended to move back. President Fato stated that Mr. Dillon had lived outside the District, possibly less than 60 days.*

*President Fato wants to put in the record of the June 15, 2021 meeting minutes to see a comment requesting Kimley-Horn to build the new pump station for Armageddon. President Fato wants a discussion from Joe Helmberger, Kimley-Horn, at the August 2021 Board meeting on the cost*

*estimate and design implementation of what it would take to build the new pump station for Armageddon.*

*President Fato questioned the June minutes about the sub-divisions under construction within the Bear Creek SUD service area. President Fato wanted to know why the MUD No. 5 was not listed as a sub-division under construction.*

*C. Reagan explained that MUD No. 5 had not signed a Non-Standard Service Agreement and that the sub-division was not under construction at the time and no plans had been submitted. Only sub-divisions that plans have been approved and that have a Non-Standard Service Agreement are considered as sub-divisions under construction.*

*President Fato questioned the charges for Contract Labor on the June 2020 budget.*

*C. Reagan explained that, as previously discussed, the charges for Contract Labor were for road bores for installation of water meters that are installed on the opposite side of the road from the water main. The Bear Creek SUD personnel do not have the equipment to bore under a county road or a state highway to install a meter on the opposite side of the road from the main, therefore, contract labor is hired to complete the work. The customer is billed the cost of the road bore.*

*C. Reagan stated that the budget needed to be amended for temporary help salary. The temporary help is used to fill in when full-time employees are absent.*

*Motion made by Director C. Elder, seconded by Director H. Stork to amend the temporary help salary from \$10,000 to \$17,500.*

*The President called roll for the vote:*

*Director Marshall: Abstain*

*Director McClendon: Approved*

*Director Stork: Approved*

*Director Elder: Approved*

*Director Harrison: Abstain*

*Director Fato: Approved*

*Motion carried.*

*President Fato: With no other questions on the consent agenda items.*

*Motion made by Director L. Marshall, seconded by Director H. Stork to accept the consent agenda items.*

*The President called roll for the vote:*

*Director Harrison: Abstain*

*Director Elder: Approved*

*Director Stork: Approved*

*Director Marshall: Approved*  
*Director McClendon: Approved*  
*President Fato: Approved*  
*Motion carried.*

**Regular Agenda Items:**

- A. Discussion and appointment of Board member to fill vacancy pursuant to Texas Water Code §49.105: *President Fato stated that there were applications from Robert Haynes, Bryan Block, Richard Losey, Perry Elliott and Stormy Magiera. President Fato explained that the application for Bryan Block and Robert Haynes should not be accepted, due to the fact that the Full-term box was checked instead of the Unexpired-term of office on the General Election form.*

*Attorney Fancher stated that the General Election Ballot form was not required and that it did not matter about the full-term box or the unexpired-term box being checked.*

*President Fato stated that she did not want to have past board members on the board again.*

*Motion made by Director C. Elder, seconded by Director H. Stork to appoint Bryan Block to fill the Board member vacancy.*

*President Fato stated that she had a legal issue and would like to adjourn to Executive Session to discuss.*

*President Fato asked questions from applicants that were present at the meeting, Richard Losey, Bryan Block and Robert Haynes. President Fato stated that she had a problem with Robert Haynes and Bryan Block because they are truckers.*

*The appointment of an applicant to fill the Board member vacancy will be tabled for Executive Session to seek legal consultation from Attorney Fancher.*

- B. Discussion and appointment of Audit Committee: *President Fato stated that since there was not a full board – she wanted to table this item until next month.*
- C. Update from Website Committee – completion of director information forms: *President Fato stated that since the Website Committee was down one member, she wanted to table the update until next month.*

*Motion by Director L. Harrison, seconded by Director L. Marshall to establish Bear Creek SUD email addresses for all board members as soon as feasibly possible.*

*The President called roll for the vote:*  
*Director Harrison: Approved*  
*Director Elder: Approved*

*Director Marshall: Approved*  
*Director McClendon: Approved*  
*Director Stork: Approved*  
*President Fato: Approved*  
*Motion carried unanimously.*

*General Manager, C. Reagan, will provide costs for adding Bear Creek SUD email addresses for Board members and report at the August meeting.*

- D. Discussion and approval of bylaws: *The draft bylaws were presented and the Board discussed, including Robert's Rules of Order and Chapter 49 of the Texas Water Code requirements. President Fato stated that the adoption of By-Laws would be tabled to a future meeting.*

**Adjournment to Executive Session at 8:52PM:**

**Executive Session:**

**Executive Session Call to Order at 8:53PM.**

**Executive Session Agenda Item:**

- (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.
- (B) Reconvene into Regular Session and take any action necessary as a result of the Executive Session.

**Adjourn Executive Session at 9:18PM**

In accordance with Texas Government Code, Section 551.001, President D. Fato reconvened the meeting at 9:18PM and stated that no action was taken in executive session.

*Motion made by Director C. Elder, seconded by Director H. Stork to appoint Robert Haynes to fill the vacant Board position.*

*The President called roll for the vote:*  
*Director Harrison: Approved*  
*Director Marshall: Unapproved*  
*Director Elder: Approved*  
*Director McClendon: Approved*  
*Director Stork: Approved*  
*President Fato: Unapproved*

*Motion carried.*

**Adjournment to Executive Session at 9:22PM:**

**Executive Session:**

**Executive Session Call to Order at 9:23PM.**

**Executive Session Agenda Items:**

President Fato and Director Harrison left the meeting at 9:23PM

- (C) The Board may recess into closed or executive session to discuss the following:
  - (2) Government Code §551.071. Ratepayers Public Utility Commission Petition Appealing District's Rates – Docket No. 49351.
- (D) Reconvene into Regular Session and take any action necessary as a result of the Executive Session.

**Adjourn Executive Session at 9:39PM**

In accordance with Texas Government Code, Section 551.001, Vice-President Herman Stork reconvened the meeting at 9:40PM and stated that no action was taken in executive session.

**Adjournment at 9:40PM:**

---

Deborah Fato, President

---

Colby McClendon, Secretary

---

Camille Reagan, Recorder