



BEAR CREEK SUD

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

Date: August 17, 2021 **Time:** 6:00PM

MINUTES OF REGULAR BOARD MEETING

Call to order by: President Deborah Fato

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

Directors Absent: Leticia Harrison

Public Comment: None

Execute Oath of Office of Director – Robert Haynes:

Mr. Haynes took the Oath of Office and completed the Statement of Officer as required by state law. Director Haynes joined the Board members in the meeting upon his qualification for office.

Election of Board Officers:

There was discussion regarding the legal requirements for electing officers. Attorney Fancher stated that there is no provision in Texas Water Code Chapters 49 and 65 preventing the Board from electing officers at this meeting.

Motion made by Director H. Stork, seconded by Director C. Elder to nominate Chris Elder as President.

The President called roll for the vote:

Director Elder: Approved

Director Haynes: Approved

Director Stork: Approved

*Director McClendon: Approved
Director Marshall: Abstain
Director Fato: No
Motion carried. Director Harrison absent.*

Motion by Director C. Elder, seconded by Director C. McClendon to nominate Herman Stork as Vice President.

*The President called roll for the vote:
Director Elder: Approved
Director Haynes: Approved
Director Stork: Approved
Director McClendon: Approved
Director Marshall: Abstain
Director Fato: No
Motion carried. Director Harrison absent.*

Motion by Director C. Elder, seconded by Director R. Haynes to nominate Colby McClendon as Secretary.

*The President called roll for the vote:
Director Elder: Approved
Director Haynes: Approved
Director Stork: Approved
Director McClendon: Approved
Director Marshall: Approved
Director Fato: Approved
Motion carried unanimously. Director Harrison absent*

Motion by Director C. McClendon, seconded by Director C. Elder to nominate Robert Haynes as Treasurer.

*The President called roll for the vote:
Director Elder: Approved
Director Haynes: Approved
Director Stork: Approved
Director McClendon: Approved
Director Marshall: Approved
Director Fato: Approved
Motion carried unanimously. Director Harrison absent.*

The new officers of the Board of Directors of Bear Creek SUD are Chris Elder, President; Herman Stork, Vice President; Colby McClendon, Secretary; and Robert Haynes, Treasurer.

Consent Items:

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

Approval of July 2021 Financials.

Approval of July 2021 General Manager Report.

Director Fato asked about the July minutes regarding the reference to “Armageddon”. Director Fato stated that she meant “Snowmageddon” in reference to the construction of the new pump station. Director Fato also questioned the statement that she made in reference to a problem with Robert Haynes and Bryan Block being appointed on the Board because they were truckers. Director Fato stated that she did not make that statement. Director Haynes responded that yes, she did say that about them being truckers. Director Fato stated that she wanted to go on record to make a formal apology to Mr. Haynes and Mr. Block by referring to them as truckers.

Director Haynes asked a question about election expenses in the budget, and there was brief discussion of anticipated costs for the counties to conduct the election instead of the SUD.

Motion made by Director R. Haynes, seconded by Director C. McClendon to amend the budget for line item 5090 (Election Costs) to increase the budget amount to \$10,457.00 for the year.

The President called roll for the vote:

Director Haynes: Approved

Director Stork: Approved

Director McClendon: Approved

Director Marshall: Approved

Director Fato: Abstain

Motion carried. Director Harrison absent.

Director Fato had questions about how much water is flushed each month. District Engineer, Joe Helmberger, explained that in order to maintain clean, safe water for all customers, water has to be flushed in order to meet TCEQ water quality criteria. During the hot summer months more water is flushed because the chlorine dissipates faster in the heat. If the water is not flushed and the TCEQ minimum standard chlorine residual is not maintained throughout the system, then the water would not be safe to drink. SUD staff flushes the water mains in accordance with TCEQ rules when a sample is taken that requires flushing, and the duration of the flush is based on when subsequent samples show the chlorine residual is in compliance with TCEQ rules.

Motion made by Director H. Stork, seconded by Director D. Fato to accept the consent agenda items.

The President called roll for the vote:

Director Haynes: Approved

Director Stork: Approved

Director Marshall: Approved

Director Fato: Approved

*Director McClendon: Approved
Motion carried unanimously. Director Harrison absent.*

Regular Agenda Items:

- A. Discuss and consideration of Pump Station No. 2 project: *Director Fato stated that she had questions about how the new pump station was being prepared for a “Snowmageddon” type event since the tank was going to be above ground. Engineer, Joe Helmberger, stated that the new tank would be 2 million gallons and that amount of water would not freeze. The tank will be equipped with a mixing system that will keep the water agitated at all times. All exposed pipes will be insulated with heat tape. There will be a generator installed for the new pump station which will come on during a power outage and keep the control room warm.*
- B. Discussion and consideration of Website and Audit Committees: *Director Fato stated that she wanted a website and technology committee to improve the transparency of Bear Creek SUD. The website committee members will be Director Stork, Director Marshall and Director Fato. The audit committee members will be Director Stork, Director McClendon and Director Marshall.*
- C. Discuss and consideration of Town Hall Meeting: *The PUC has not made a final order on the Rate Appeal. This discussion will be tabled until a final order is received. Director Fato stated that she was holding her own Town Hall meeting at Boyd Farm in September. Director Fato stated that the Boyd Farm had graciously waved the fee of \$750 per hour for the rental of the venue for Director Fato’s Town Hall meeting. Director Fato stated that she wanted to have a Bear Creek SUD Town Hall Meeting at this location for the ratepayers to discuss the PUC Order.*

Attorney Fancher stated that it should not be a meeting of Bear Creek SUD because the PUC has not issued a final order in the matter, and that the previous discussions related to a Bear Creek SUD town hall would include information in addition to rates, such as system operations, for example. Attorney Fancher also stated that there are potential legal issues with Director Fato accepting the offer of the venue for free for her own Town Hall related to SUD business.

- D. Discussion and consideration of Superior Water recognition by TCEQ: *Manager C. Reagan explained that she filed paperwork with Texas Commission on Environmental Quality (TCEQ) requesting Superior Water status for Bear Creek Special Utility District. As a result of the TCEQ recent Comprehensive Compliance Investigation and review of records concerning the Bear Creek SUD, TCEQ determined that the public water system meets the TCEQ’s Superior Public Water System recognition requirements in accordance with 30 Texas Administrative Code §290.47. This recognition authorizes display of Superior Public Water System signs on highways entering the area served by Bear Creek SUD. This recognition was awarded to Bear Creek SUD by TCEQ on July 22, 2021. There was additional discussion of how exceptional it is for a utility to receive this recognition from the*

State of Texas and that this distinction relates to not only drinking water quality, but also the overall operation of a water system.

Board to Set Future Meetings and Agendas:

Director Marshall discussed the date and time of the SUD meeting being on the same day as one of the two city council meetings each month. After brief discussion by the Board, the item is to be added to the next month's regular agenda for consideration.

Adjournment to Executive Session at 7:08PM:

Executive Session:

Executive Session Call to Order at 7:15PM.

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.
 - (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 9:07PM

In accordance with Texas Government Code, Section 551.001, President Chris Elder reconvened the meeting at 9:07PM and stated that no action was taken in executive session.

Adjournment at 9:07PM:

Chris Elder, President

Colby McClendon, Secretary

Camille Reagan, Recorder