

BEAR CREEK SUD

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

Date: October 10, 2017 **Time:** 7:00PM

MINUTES OF REGULAR BOARD MEETING

Call to order by: President Herman Stork

Directors Present: Herman Stork, Bryan Block, Jeff Bialecki, Chris Elder, Leticia Harrison, Robert Haynes, Kevin Hutchinson

Directors Absent: None

Public Comment: None

Consent Items:

Approval of Minutes of Regular Meeting on September 12, 2017.
Approval of Minutes of Special Meeting on October 3, 2017
Approval of September 2017 Financials.
Approval of September 2017 General Manager Report.

*Motion made by Director R. Haynes, seconded by Director B. Block to approve Consent Items.
Motion carried unanimously.*

Staff Report:

Legal update by James W. Wilson: *Attorney James Wilson stated that there is a new Texas Government Code Chapter 2270 that pertains to the boycott of Israel. All vendors that enter into a contract with a governmental entity must sign a verification of compliance stating that the vendor does not boycott Israel and will not boycott Israel through the term of the contract. Also, no vendor or subsidiary of the organization can engage in business with Iran, Sudan or any foreign terrorist organization during the term of the contract.*

James Wilson stated that he would be filing the validation suit for the approval of the Attorney General for the existing bank loan.

James Wilson participated in a teleconference with the financial advisor, engineering and the bond council on the loan with Texas Water Development Board for the new pump station.

Regular Agenda Items:

- A. Discuss progress of Pump Station 1 relocation: *North Texas Municipal Water District (NTMWD) has not approved the plans for the new pump station. There still has been no response from NTMWD on the plans.*

The City of Fate has completed the second review of the pump station plans. The City of Fate is requiring trees to be installed on the property or for Bear Creek SUD to purchase the allotted number of trees and donate them to the City for placement in one of the City designated areas. Bear Creek SUD has contacted Texas Commission on Environmental Quality (TCEQ) to see if there is any way to plant the trees on the Bear Creek SUD property and not incur a violation from TCEQ. A TCEQ representative has stated that the trees can be planted inside the fence but there would need to be a buffer between the trees and the fence, so that it would not pose a security risk. The trees will be planted on the Bear Creek SUD property, but there will be sufficient space between the trees and the fence to not pose a security risk. Plans will be re-submitted to the City of Fate for additional review.

- B. Discuss and act on North Texas Municipal Water District (NTMWD) rate schedule: *The North Texas Municipal Water District 2018 rate increase was officially approved by NTMWD at the September 28, 2017 Board Meeting. Bear Creek SUD wanted to have the official notification from NTMWD before the rate increase was implemented. The official rate increase approved by the NTMWD Board of Directions was 10%. The rate increase for Bear Creek SUD that was approved at the September 2017 board meeting will be effective on the bill cycle from November 20, 2017 through December 19, 2017 with the bill being due on January 10, 2018. The new rate increase for Bear Creek SUD will be a pass through increase from NTMWD in the amount of 10%.*

- C. Discuss status of proposed new developments: *C. Reagan provided an update of all of the proposed new developments within the Bear Creek SUD CCN area. There are two developments that houses are being built in at this time. Traditions I (97 lots) there have been thirty-eight meters set. Traditions II (84 lots) there have been 10 meters set. Contact has been made by the developer for water service for Crestridge Meadows (274 proposed lots). This property is located on C. R. 484 south of Traditions II. The property has been annexed into the city limits of Lavon. The developer for Lakeview Estates has contacted Bear Creek SUD for water service for this development. The preliminary plans that have been submitted by the developer shows 650 single-family homes, 150 multi-family homes, and 250,000 square feet of retail space. This development is located at the southeast corner of Hwy. 6 and Hwy. 78. At this time, the property has not been annexed into the city limits. The developer for Carter Estates, located at FM2755 and C. R. 536 has submitted preliminary plans. This proposed development is thirty-nine lots. This development is not requesting annexation.*

The City of Lavon has annexed 38.62 acres of land into the city limits located at C. R. 483 and F. M. 2755. The City of Lavon has approved a development of 152 lots at this location. There has been no contact from the developer with Bear Creek SUD for water service in this

development. Mayor Teske stated in the minutes of the September 5, 2017 City of Lavon City Council meeting that there was a document prepared for Bear Creek SUD showing the area of the development to develop at 10 units per acre. At this time, Bear Creek SUD has not been involved with a development at this location or in this vicinity that shows any density of development. Bear Creek SUD has no authority to control density of a development. When a property is developed within the Bear Creek SUD water CCN, the density of the development is controlled either by the County or by the City that the development will be located in. Bear Creek SUD does not stipulate density of a development. Mayor Teske is incorrect in his statement made at the City Council meeting.

The developer for a proposed 7-Eleven Store at the intersection of Hwy. 78 and Hwy. 205 on the north side of Hwy. 78 has made preliminary inquiries about water service. No plans have been submitted at this time.

- D. Discuss 2018 Director's election and Consider Adopting Order Calling 2018 Director's Election: *There are two director's positions expiring in 2018.*

Motion by Director, R. Haynes, seconded by Director, K. Hutchinson to order a general election be held on March 20, 2018, to fill two seats on the Bear Creek SUD board of directors. Motion carried unanimously.

Adjournment to Executive Session:

Motion made by Director R. Haynes, seconded by Director C. Elder to adjourn to Executive Session at 7:36PM. Motion carried unanimously.

Executive Session:

Executive Session Call to Order at 7:42PM.

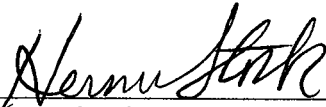
Executive Session Agenda Items:

- (A) The Board may recess into closed or executive session to discuss the following:
- (1) Government Code §551.071. Consultation with Attorney: Discuss status of the City of Lavon Sewer CCN application before the Public Utility Commission.
 - (2) Government Code §551.071. Consultation with Attorney: Discuss status of the Rate Payers' Appeal filed with the Public Utility Commission.
- (B) Reconvene into Regular Session and take any action necessary as a result of the Executive Session.

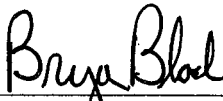
Adjournment from Executive Session at 8:00PM:

Regular Session Call to Order at 8:00PM. No action taken from Executive Session.

Adjournment at 8:01PM:



Herman Stork, President



Bryan Block, Vice President



Camille Reagan, Recorder