

BEAR CREEK SUD

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

Date: November 13, 2018 **Time:** 7:02PM

MINUTES OF REGULAR BOARD MEETING

Call to order by: President Herman Stork

Directors Present: Herman Stork, Bryan Block, Leticia Harrison, Robert Haynes,
Kevin Hutchinson

Directors Absent: Chris Elder, David Hawkins

Public Comment: None

Consent Items:

Approval of Minutes of Regular Meeting on October 9, 2018.
Approval of October 2018 Financials.
Approval of October 2018 General Manager Report

General Manager, C. Reagan, stated that there had been several comments made about the customer deposits that are on each account. The question was raised about why customer deposits remain on the accounts until the customer terminates service instead of returning the deposit after one year. A customer's deposit is kept until service is terminated to insure against losses that result from unpaid or underpaid bills. When the company was a water supply corporation, the members were required to pay a membership fee. When the company changed to a special utility district, then the customers were required to pay a deposit that would prevent a burden arising from uncollectible bills which would have to be borne ultimately by all the utility's ratepayers. The Rate Order of Bear Creek SUD specifies that the deposit is held by the District, without interest, until settlement of the customer's final bill. The deposit will be used to offset unpaid charges or bills. If a customer terminates service without notice and providing a forwarding address to the District shall not be entitled to a deposit refund.

Motion made by Director R. Haynes, seconded by Director K. Hutchinson to approve Consent Items. Motion carried unanimously.

Staff Report:

Legal update by James W. Wilson: *Attorney James Wilson was not in attendance.*

Regular Agenda Items:

- A. Discuss and act on Rate Increase Notice: *Notice of rate increase to be distributed to all customers available for review by Board members.*

Motion made by Director R. Haynes, seconded by Director K. Hutchinson to distribute the Rate Increase Notification to all customers. Motion carried unanimously.

- B. Discuss Cross Connection Control Procedure: *Discussion tabled until December Board meeting in order to discuss issues with registered backflow testers and third-party customers that provide the service.*

- C. Discuss and act on 2019 Budget: *Budget for FY2019 presented to Board for review along with a comparison of 2018 budget.*

Motion made by Director R. Haynes, seconded by Director B. Block to approve 2019 Budget. Motion carried unanimously.

Adjournment to Executive Session:

Motion by Director K. Hutchinson, seconded by Director R. Haynes to adjourn to Executive Session at 8:30PM. Motion carried unanimously.

Executive Session:

Executive Session Call to Order at 8:33PM.


Executive Session Agenda Items:

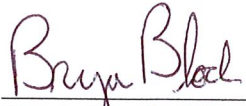
- (A) The Board may recess into closed or executive session to discuss the following:
 - (1) Government Code §551.072. Discuss Property Purchase.
 - (2) Government Code §551.071. Consultation with Attorney Regarding Executive Session Procedures and Rules
- (B) Reconvene into Regular Session and take any action necessary as a result of the Executive Session.

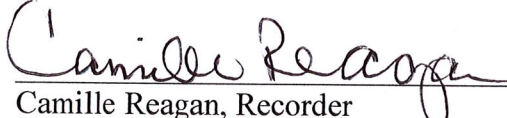
Adjourn Executive Session at 9:14PM.

Regular Session Call to Order at 9:15PM.

Adjournment at 9:15PM:


Herman Stork, President


Bryan Block, Vice President


Camille Reagan, Recorder