



BEAR CREEK SUD

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

Date: April 22, 2024

Time: 6:30PM

MINUTES OF REGULAR BOARD MEETING

Call to order by: President Chris Elder

Directors Present: Chris Elder, Herman Stork, Robert Haynes, Lisa Block, Leticia Harrison, Colby McClendon, James Watts

Directors Absent: None

Public Comment: None

Consent Items:

Approval of Minutes of Regular Meeting on March 18, 2024.

Approval of March 2024 Financials.

Approval of March 2024 General Manager Report.

Motion made by Director R. Haynes, seconded by Director H. Stork to approve Consent Agenda Items. Motion carried unanimously.

Regular Agenda Items:

A. Presentation of 2023 Audit and consideration of approval of 2023 Audit.

Robert Lake, of Rutherford Taylor & Company, P.C., presented the 2023 Bear Creek Special Utility District Financial Audit. Mr. Lake stated that the auditors had audited the financial statements of the Bear Creek SUD and in their opinion, the financial statements referred to, presents fairly, in all material respects, the respective financial position of the business type activities, which are the proprietary type funds of the Bear Creek SUD as of December 31, 2023, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America. Mr. Lake stated that the auditor's opinion was an unmodified opinion, which is the best opinion you can receive. Mr. Lake stated that the audit

report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the district's internal control over financial reporting and compliance. The District's Total Net Position was \$29,647,660 at year end. The district's expenses were \$5,460,082 less than the \$10,708,476 generated from charges for services and other revenues for business-type activities. The District continued to receive developer contributions for housing development and infrastructure totaling \$2,529,740. The Change in Net Position for 2023 was \$5,460,082 down from 2022. The District's Current Assets were \$11,343,601, restricted assets \$2,204,056 which includes the restricted assets held in GTUA, Non-Current Assets were \$25,007,860 and the Total Assets were \$38,555,517. The Current Liabilities were \$949,336, Non-Current Liabilities were \$7,958,521 and Total Net Position was \$29,647,660. Restricted Assets are assets that are not available to be spent. The Total Operating Revenues were \$8,104,795 and the Total Operating Expenses were \$5,045,509. The Net Operating Revenue (expenses) was \$3,059,286. The Change in Net Position was \$5,460,082. On the Statement of Cash Flows, the Net Cash generated was \$3,241,085. The Net Increase in Cash for 2023 was \$1,996,936. The Net Capital Assets for the District on December 31, 2023, was \$25,007,860. The total debt of the District is \$1,619,174 through the year 2036. The variance with the final budget for the year was \$3,971,182 below budget. Mr. Lake stated that as of year-end, the District was not involved in any pending litigation. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the various rules and regulations in which the District operates.

Motion made by Director H. Stork, seconded by Director L. Block to accept the 2023 Financial Audit as presented by Rutherford, Taylor & Company, P. C. Motion carried unanimously.

- B. Resolution 2024-04-22-01 Regarding the Adoption of Rules for the Acceptance of Electronic Bids.

Motion made by Director H. Stork, seconded by Director R. Haynes to adopt Resolution 2024-04-22-01, Rules for Acceptance of Electronic Bids. Motion carried unanimously.

- C. Discuss and act upon Pump Station No. 1 and Pressure Plane 3 Upgrades (IPO #4).

Engineer, Joe Helmberger, discussed the new upgrade of Pump Station #1. The 300,000-gallon ground storage tank will be kept. It will cost approximately \$4.6 million to build the pump station and upgrade the pumps. The pumps will be upgraded to two 750gpm and one 2,000gpm pump.

Motion made by Director C. McClendon, seconded by Director L. Block to approve the upgrades to Pump Station #1/IPO #4. Motion carried unanimously.

- D. Discuss and act upon Pressure Plane 1 Upgrades (IPO #2).

Engineer, Joe Helmberger, discussed the pressure plane 1 upgrades. The contract for the land was approved and the owner has requested the lot to be re-platted. The new elevated storage tank will be a 500,000-gallon composite tank. The design of the elevated storage tank will be \$495,000.

Motion made by Director H. Stork, seconded by Director R. Haynes to approve the pressure plane 1 upgrades/IPO #2. Motion carried unanimously.

- E. Discuss and act upon Pressure Plane 2 Upgrades (IPO #3).

Engineer, Joe Helmlberger, discussed the pressure plane 2 upgrades. The new elevated storage tank will be a 2,000,000-gallon composite tank. The design of the elevated storage tank will be \$720,000.

Motion made by Director C. McClendon, seconded by Director H. Stork to approve pressure plane 2 upgrades/IPO #3. Motion carried unanimously.

- F. Discuss and act upon Water Conservation Plan.

Motion made by Director H. Stork, seconded by Director R. Haynes to approve the Bear Creek Special Utility District 2024 Water Conservation and Water Resource and Emergency Management Plan. Motion carried unanimously.

- G. Discuss and act upon approving Ordinance 2024-001 – Water Conservation Plan.

Motion made by Director H. Stork, seconded by Director L. Block to adopt Ordinance 2024-001 – Adopting Water Conservation Plan. Motion carried unanimously.

- H. Discuss and act upon approving Ordinance 2024-002 – Illegal Water Connections/Theft of Water.

Motion made by Director H. Stork, seconded by Director R. Haynes to adopt Ordinance 2024-002 - Pertaining to Illegal Water Connections and Theft of Water with a \$2,500 fee for each occurrence. Motion carried unanimously.

Board to Set Future Meetings and Agendas:

President, C. Elder, asked if anyone had any future meetings to be set or any items for future agendas.

Next Regular Board Meeting scheduled for May 20, 2024, at 6:30 p.m.

Agenda items for May 2024 Board meeting: updates on meter replacements, backflow procedures, Bear Creek SUD office.

Adjournment of Regular Meeting at 7:35PM.

Chris Elder, President

Lisa Block, Secretary

Camille Reagan, Recorder