

**FLYING L PUBLIC UTILITY DISTRICT
REGULAR MEETING – AUGUST 12, 2024
MINUTES**

CALL TO ORDER: The August 12, 2024, regular meeting of the Flying L Public Utility District; is called to order by President Judd Ryan at 6:32 PM. Additional Board Members in attendance are Will Dietrich and Leslie Rector. **A quorum was established.** Also, in attendance is MOC Representative Lonnie Wright, Field Manager Gary Geldart and Bookkeeper Kathy Robertson.

Guest(s) in Attendance: Bob Neuser and Megan Ryan

Leslie announced to the community that our Board Member, Larry Marsh; recently underwent heart bypass surgery. After the surgery he developed complications. Just a few days later he sadly passed away. He was a good friend and Board Member. He will be sorely missed.

Resignations: A motion was made by Rector, 2nd by Dietrich to accept the written resignations from Nicole Lawlis and Steve Childers. **Unanimous**

PUBLIC COMMENTS: Megan will speak to the Board in New Business – Audit Process

APPROVE MINUTES FROM PREVIOUS MEETING: After a review of the July 8, 2024 Regular Meeting Minutes, a motion was made by Rector, 2nd by Dietrich to approve the Regular Meeting Minutes as written. **Unanimous**

FINANCIAL REVIEW & PAY MONTHLY BILLS: Kathy Robertson presented the financial reports to the Board Members which included Expenses by Vendor Summary, Balance Sheet for July, and the Monthly Comparison for July 2023 to 2024. After reviewing the reports, a motion was made by Rector, 2nd by Dietrich to accept the reports noting a couple of line items that will be updated and transfer \$35,000 from Deposit Account #266 to Checking Account #816 to pay vendor summary totaling \$42,356.47. **Unanimous**

Change Authorizations and Access to Accounts: A motion was made by Rector, 2nd by Dietrich to remove Nicole Lawlis, Steve Childers, and Larry Marsh of their authorization and/or access to Bandera Bank accounts, the TexPool account, and any other credit lines offered to the PUD and to Add Kathy Robertson to have view only access to Bandera Bank and TexPool. **Unanimous** Judd is working to update our vendor credit lines to make sure only the present employee(s) and Board Members have access to those credit lines.

REVIEW AND DISCUSS OPERATIONS

MOC: Lonnie Wright, from MOC; went over the monthly Operations Report noting total revenue collected from water, sewer services, garbage, and deposits was \$40,475.93, water billed vs pumped 93% accountability, total sewer connections 191, total water connections 338, and two water tests were done – one routine and one special, both were good. Leaks and/or flushing 180,000 gallons. The consumption report noted 28 residents exceed the 10,000 gallons usage. Some questions posed to Lonnie were, the column for tap fees isn't being populated, and the total number of connections does not appear to be updated. Kathy asked for clarification regarding the cutoff date of the total assets collected. He was asked if the resort grease and lint traps were inspected in July. It does not appear that requirement has begun. Gary inquired about the valve location project. MOC has ground penetrating radar to assist in locating valves. Lonnie will investigate the cost of this project. **A motion** was made by Rector, 2nd by

Dietrich to change the deposit account MOC currently uses, to send our collected billed funds, from the money market to the checking account. **Unanimous** Lonnie spoke on the taps done on Knollwood that incurred OT charges. The PUD and Lonnie came to an agreement to split the difference in the OT charge that amounted to \$1,900. A check for \$950 will be issued to cover the split agreement. Going forward, the PUD will take a photo and/or mark the property where the lines are coming out to the easement. Lonnie said it would be ok to give our operator, Allen; the tap paperwork and check to drop off at the Dripping Springs Office without charge.

OPERATIONS Field Manager – Gary presented the Well readings: Well #1 at 368’ and Well #2 at 381’ (measured ground to water surface). The estimates for the work at the pump building is still being accumulated. The work that needs to be done is electrical, air-conditioning, roof replacement, and insulation. The testing for structures built before 1988 has begun with identifying them, taking water samples to evaluate any levels of lead & copper, and viewing the piping connection from the meter to the house. There are strict rules for how the water samples must be collected. Not every house will be checked. There was a leak on Glenvalley, 3 cloudy water calls (the hydrants were flushed), and a resident questioned a high-water bill. Judd will speak to the POA Board in hopes they add the mandate to have a survey done after the foundation forms are set and before concrete is poured. Sometimes the foundations are set into the utility easements.

OLD BUSINESS: (Discuss and Take Action)

Proposed Rate Order (MOC) – It wasn’t signed because of items being added.

Review Contract with Auditor: Approve Annual Auditor – We used Armstrong, Vaughan & Associates last year and were pleased with their work. We received their information for this year. A **motion** was made by Rector, 2nd by Dietrich to contract with Armstrong, Vaughan & Associates to accomplish our 2023-2024 fiscal year annual audit at the base cost of \$7,000. **Unanimous**

Drought Restriction Violations: Enforcement – Leslie said she didn’t want us to be praised for having the lowest water rates in the Hill Country. She wanted us to be known for trying to protect and maintain a reliable water source for our community and we can’t do that without being stricter on water usage during high drought stages. A few options were presented. After discussion on pros and cons a **motion** was made by Rector, 2nd by Dietrich to set Stage 3 Drought surcharge at \$5 per 1,000 gallons in excess of 12,000 gallons, set Stage 4 Drought surcharge at \$10 per 1,000 gallons in excess of 10,000 gallons, and set Stage 5 Drought surcharge at \$20 per 1,000 gallons in excess of 8,000 gallons. **Unanimous**

Contract with Bandera Co Election Official for Election Services – Approve Order of Election (if needed) It is not necessary this year to hold a county election, based on applicants and Board openings.

NEW BUSINESS (Discuss and Take Action)

Offer to Purchase Lot – An owner offered to sell Sec 2 Lot 11 to the PUD. Currently the PUD is not entertaining the purchase of any residential lots.

Request for Sewer Service Availability – There is no sewer service available for Sec 2 Lots 11 & 12.

Lift Station B Road – Tabled

Audit Process – Compiling Required Documents Suggestions - Megan Ryan was instrumental with this year’s collection of documents for our annual audit. While accumulating the needed items she has outlined what she is doing and what we can expect next along with suggestions to help safeguard our computer documents and how to be consistent with how each correspondence should be labeled. Our auditor will be contacted to include Leslie’s email address when anything is sent to the admin email to insure it’s not overlooked.

Executive Session – Agenda Wording Pursuant to TX Revised Civil Statutes – That information has been updated to note the changes in 1973 and 1993 at the bottom of our agendas.

Vote on Proposed Tax Rate – The county tax office sent the 2024 Water District Voter-Approval Tax Rate Worksheet. The Board reviewed the figures and after some discussion, **a motion** was made by Rector, 2nd by Dietrich to set the proposed 2024 tax rate at 0.37% per \$100 of assessed value.

Unanimous A tax hearing will be held immediately before the regular meeting on September 9, 2024.

Interior Inspection of Water Tanks (If Required / Drone) – This is on the agenda so that we can document on our calendar of agenda items when it is the next time it’s due. MOC will supply that information to us.

Amend the Motion on July 8, 2024: Increase Garbage Fee – **A motion** was made by Rector, 2nd by Dietrich to amend the motion made on July 8, 2024 to increase the garbage fee from \$12 to \$17 and it should have been from \$15 to \$20. **Unanimous**

Appoint Board Member – Robert Neuser has voiced his intent to join the PUD Board by appointment. After learning more about this applicant, **a motion** was made by Rector, 2nd by Dietrich to appoint Robert Neuser to the Bandera Public Utility District Board and include him on Bandera Bank accounts as a siger. **Unanimous** The oaths of office will be given at the September Meeting.

Questions/Follow-up – Discussion Only - None

Next Meeting: The next month’s regular meeting date for the Flying L PUD is scheduled for Monday September 9, 2024 at 6:30 PM at the PUD Building, the Tax Hearing will be held immediately before.

Adjourn: Having no further business, the meeting was adjourned at 8:53 PM.

Presented for review and approval,
Leslie L. Rector, Secretary/Treasurer
for the Flying L Public Utility District