

**FLYING L PUBLIC UTILITY DISTRICT  
REGULAR MEETING – September 13, 2021  
M I N U T E S**

**CALL TO ORDER**

The September 13, 2021 regular meeting, of the Flying L Public Utility District; is called to order by Board President Don Bateman at 6:54PM. Additional Board Members in attendance are Nathon Laws, Judd Ryan, and June Baker. Also in attendance is Office Administrator Steve Childers.

**Guest(s) in Attendance:** Leslie Rector, Bob Haueter

**A quorum was established.**

**PUBLIC COMMENT**

Additional comments not related to the tax hearing were added by Bob Haueter during the tax meeting. Those can be seen in the tax hearing minutes.

Leslie Rector – When the 6” main was hit, who hit it and who paid for it? Steve responded with the location and stated that the ranch was responsible and repaired it themselves, but we lost 160K gallons.

Leslie Rector – There are two round blue lids near my house on the hill. They look like they are sinking in the ground and are only 3’ off the paved surface of the road. Steve responded that he would need exact details, but believes this is where the main water line was dug. Judd responded that we can have caps or manhole covers anywhere in the right of way – even in the middle of the road. Caps can be moved, but the line stays. Leslie provided maps and Steve said he will look at in the next week.

Leslie Rector – Would also like to discuss residents/users coming to the board and presenting their case rather than being unrepresented. June said this is what the standard has always been.

In discussion, it was noted that Doug Stevens has done many, many things to help the PUD. We are not penalizing the ranch for mishaps when they put us in a positive position over hiring contractors. They have been a great partner.

**MINUTES OF PREVIOUS MEETING**

After a review of the August 9, 2021 regular meeting minutes a motion was made by June, 2nd by Judd to approve the Minutes from the August meeting. **Unanimous**

**FINANCIAL REVIEW**

Steve reported positive reviews and bottom revenue line. Water revenue down due to rain, but overall revenue was up 28% for the month. Primarily due to three new taps. No tax money for the second month in a row. \$6K down on the fiscal year regarding tax income. Office expenses are up due to print cartridges and phone charges for auto dialers at waste facilities. Water/Sewer tap had an expense of \$13K last year to cut across a road for a tap, but this year we have started buying digital meters, which will still be read manually, but are ready for distance reading. \$9,600 improvement over prior year month. Our sewer expenses (updating/upgrading) plus the 25% deposit on generators show’s a negative \$65K in revenue for the year. Revenue for the first two months was down \$60K, but is created by no tax income plus the sewer expense.

Balance sheet:

Flying L PUD  
Balance Sheet  
As of September 13, 2021

	<u>Sep 13, 21</u>
ASSETS	
Bandera Deposit Acct	140,494.39
Hondo National Bank	244,050.99
RBFCU Savings	3,934.05
RBFCU CD xxxx9913 8/16/2023	28,281.94
RBFCU CD xxxx8980 4/12/2022	55,308.85
Bandera Operating Acct	-17,976.22
Bandera Bank CD xx005 11/6/2023	125,938.04
<b>Total 11000 Bank accounts</b>	<b><u>580,032.04</u></b>

Steve has recommended that we move \$30K from the deposit account to our checking account.

12:00 PM  
09/10/21  
Accrual Basis

Flying L PUD  
Balance Sheet  
As of September 13, 2021

	<u>Sep 13, 21</u>
ASSETS	
Bandera Deposit Acct	140,494.39
Hondo National Bank	244,050.99
RBFCU Savings	3,934.05
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RBFCU CD xxxx8980 4/12/2022	55,308.85
Bandera Operating Acct	-17,976.22
Bandera Bank CD xx005 11/6/2023	125,938.04
<b>Total 11000 Bank accounts</b>	<b><u>580,032.04</u></b>
Total Accounts Receivable	1,144.26
Total Other Current Assets	1,938.71
Accounts Receivable - Tax Collector	5,353.98
Property Taxes Receivable	1,082.11
<b>TOTAL ASSETS</b>	<b><u>594,835.24</u></b>
LIABILITIES & EQUITY	
22601 Upfront Deposits	29,850.00
25000 Payroll Liabilities	795.28
<b>Total Current Liabilities</b>	<b><u>31,453.47</u></b>
Total Long Term Liabilities	12,087.37
<b>Total Liabilities</b>	<b><u>43,540.84</u></b>
38000 - Retained Earnings	618,152.45
Net Income	-69,417.35
Total Equity	<u>551,294.40</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>594,835.24</u></b>

**Transfer \$30,000 from Deposit Account xxx-266  
to Account xxx-816, Both at Bandera Bank**

Steve explained the expenses by vendor.

## REVIEW AND PAY BILLS

Motion made by June to transfer \$30K from Acct 266 to Acct 816 at Bandera Bank. 2<sup>nd</sup> by Judd. Unanimous.

## REVIEW AND DISCUSS OPERATIONS

2021		
	Well 1	Well 2
Jan		
Feb	347	354
March		
April	262	254
May	231	299
June	231	284
July	230	299
Aug	230	255
Sept	210	247
Oct		
Nov		
Dec		
Current		
Drawdown	1'	5'

Reprinted for:	8/31/2021	<b>System Totals Report</b>
Flying L Public Utility District		
Water Pumped This Month		2,209,000 Gallons
Water Sold This Month		1,588,700 Gallons
Water Used for Fire and Flushing Line		41 Gallons
Water Loss		620,259 Gallons
Water Loss (%)		28.08 %
160,000 Gallons lost from Main Break		

Operator is dealing with a hurricane and unable to attend. MOC will be putting together a backflow program. All labs were within permit. Big issue was a 28% water loss – 160K gallon loss when the golf course hit a main. Steve performed a bulk water sale to a customer, but the meter used was a secondary meter and Steve is unsure if it was deducted properly. \$450 for commercial sale of 18K gallons – if sold through a home would be about a \$75 bill. June asked why it was sold and Steve thought it would be a good deal – he ran it by a couple board members. Judd mentioned that it was used as a flushing process rather than dumping on the ground.

Chuck is preparing to hook the front and back irrigation systems together and will have to cross Flying L drive. Obviously we have all kinds of water and sewer lines in this area and need to plan properly.

Trash cans are looking good – two empty dumpsters on a Sunday evening. This may change if the ranch gets really busy, but the restrictions are working.

John (MOC) is trying very hard to get TCEQ to recognize transient connections through the resort rather than being added to our total connections. If he is unable to do this, we will have to add hours and pay Chad (MOC) 1.5X pay.

Nathon asked about water quality as he still has water issues. Don confirmed he also has this issue. Steve said this is not related to the phosphates being added as they would have taken affect. Steve will continue digging into this.

## SPECIAL BUSINESS

Austin has resigned from the board since he has sold his home and moved. June makes a motion that we except Austin's resignation and Nate 2<sup>nd</sup>. Unanimous.

Steve offers himself as a new board member. He will continue with administrator with no salary while serving as a board member. Remainder of duty's will be dealt to Jay Call. June suggested we send notice to the community to let everyone know there is an opening prior to making a decision. Nate asked if there was a requirement for this – Steve responded no. TCEQ says a board will appoint a member in the event of a resignation. Judd made a motion that we appoint Steve Childers as a board member. 2<sup>nd</sup> by Nate. All for – 3. All opposed – 1.

Don swore in Steve Childers as a board member.

Steve stated that new board cabinet positions had to be voted on. Several argued that was untrue, even though this is how it was done in the past. Ultimately, the VP position vacated by Austin had to be filled. Don said we needed to vote for a new VP. Judd made a motion that we make Steve Childers the new VP. 2<sup>nd</sup> by Nate. Majority approved.

### **OLD BUSINESS**

Lift Station B – PUD has retained another attorney specializing in eminent domain. The property owner basically cannot stop the road. The lift station was present when it was purchased and was known this could happen. Cost is roughly \$3500.

Backup Power –Potential grants to be considered. Lease option to be continued for consideration. Board does not wish to pursue debt.

### **NEW BUSINESS**

PUD Tax Rate – Steve made a motion to keep the tax rate flat with prior year without increase. Nate 2<sup>nd</sup>. Unanimous

Providing Water to New Development across Wharton's Dock Road – Lots of discussion. Left with Steve finding out if we would receive tax dollars from the commercial property. Steve to find out and report back. No value in supporting without significant revenue. Water alone will not provide that. Lot's of discussion.

CD's at FBCU – Penalty was greater than what was initially thought. Need to pull Austin from the account in process. Board approves moving Steve Childers onto all existing accounts.

**Next Meeting:** The next month's regular meeting date for the Flying L PUD is scheduled for October 11<sup>th</sup>, 2021 at 6:30 PM.

**Adjourn: Meeting adjourned at 8:17PM.**

Presented for review and approval,  
Nathon Laws  
Secretary, Flying L PUD