

**FLYING L PUBLIC UTILITY DISTRICT
REGULAR MEETING – May 11, 2026
MINUTES**

CALL TO ORDER: The May 11, 2026, Regular Meeting of the Flying L Public Utility District; is called to order by President Judd Ryan at 6:30 PM. Additional Board Members in attendance are Katherine Lee and Leslie Rector. Will Dietrich is absent. **A quorum was established.** Also, in attendance are representatives from Yancey - Elizabeth Leal and Ernest Morino.

Guests(s) in Attendance: John Simmons, June Baker, Jill McNichol, Tim Morgan, Chris Darden, Sharon Buchanan, Caroline James, Michael Pruitte, and Cindy Stevens

PUBLIC COMMENTS: Chris Darden asked about the \$19.00 Assessment Fee on the utility bill. Judd said \$10 goes towards paying off the generators, fuel, maintenance, \$5 is to pay for billing, and \$4 is to assist with the electricity bill each month which averages \$2,500 per month. He also asked about a Facebook post stating our chlorine level was so high it was off the chart. Ernest from Yancey said, chlorine is added to the water to make it safe to drink and the highest our chlorine level has ever been is 1.17 and the highest that's allowed is 4.0

APPROVE MINUTES FROM PREVIOUS MEETING: After review, **a motion** was made by Lee, 2nd by Rector to approve the Regular Meeting Minutes of April 13, 2026 as written. **Unanimous**

Financial Review – Balance Sheet Monthly Bills: Katherine said we will have our Profit and Loss (P&L) next month, we made about \$5,000 from our investment account, around 1.5 million in liquid assets, around \$43k in receivables, and an additional \$10,000 in bills to pay. **A motion** was made by Rector, 2nd by Lee to transfer \$10,000 from account #266 to account #816 to pay this month's bills. **Unanimous**

Transfer Our Residential Utility Deposits to Yancey? – Yancey does collect deposits from their existing customers, as we do. After some discussion, it was decided that the PUD will hold on to our residents' deposits until the merger with Yancey has been completed and at that time those funds will be transferred to them.

Yancey WSC – Report on Operations and Communications w/Community – Ernest reports: Meters were read on March 10th, bills went out at the end of the month, data base sent over and software is being created for the new radio read meters (smart meters), daily check-ins on the water & sewer plant are done, and flushing is done as required. Both pumps at Well #2 tripped due to BEC electrical problems. On April 29th WP#2 lost a leg generator funning pump #1 tripped, BEC contacted to reset the fuse at pole, motor on pump 1 went out. The pumps tripped so often that the generators came on. On April 30th the Ground Storage Tanks were cleaned and the grass was cut. April 30th a water tap was completed on Knollwood. Monthly gallons pumped at Well #2 1,282,000 and at Well #1 20,000.

OPERATIONS PUD – March Well Levels #1 333.7 & Well #2 @ 357, April Well #1 324.2 & Well #2 @ 373. We had a discussion about the timing of tap installations, to combine job sites, when possible; to keep the costs down because getting the equipment on site is usually a large portion of the cost. Leslie reports that the completed Lead and Copper form from TCEQ was forwarded to YWSC. We still need a current residential account list and to inform the PUD when a resident terminates or acquires a new account so that we can remove or add them to our phone alert system. A reminder to YWSC to inform us when something needs attention so that we can make the decision to repair or replace equipment that is faulty. We want to let the community know that we have a considerable amount in liquid assets and that's because we have some large cash outlays ahead. For example, we will be digging as new Well when we have merged with YWSC at a cost of at least \$1,300,000, payoff our generator loan of \$116,125.00, maintaining residential deposits of approx. \$52,000, smart meters \$150,000 which totals \$1,618,125 in addition to our high monthly operating costs. Leslie asked if the Well Engineer's work will still be ok to use even if the investigations and measurements are done a year in advance of the Well installation, so that it doesn't have to be repeated, they all said it will be fine.

Merger Progress – We finally have the revised/updated legal document to sign. We also have the last few years of audits on the website that the lawyer can download and send with the signed and notarized 40-page document.

Old Business – Discuss & Take Action

New Alert System for Our Facilities - The PUD was given a quote to install a RACO alert system on all our facilities. The total cost of installing the system was \$15,660.00, which includes the parts and 1 year of monitoring. There will be an additional cost for the electrician upon installation. After some discussion, **a motion** was made by Lee, 2nd by Rector to replace our current phone alert system and accept the quote from RACO to have the new alert system installed at the quoted cost of \$15,60.00 **Unanimous**

Lot for Sale – Progress & Next Step: June Baker met with Leslie to view the surveyed markers for the lot the PUD owns and wants to sell to put that money into the community's utility system. The survey clearly indicates that the paved road is substantially inside of the residential lot's perimeter. In order to sell it, the paved portion of the road, that is in the lot; would have to be torn up and repave it to where it should be and trees would have to be cut down to relocate the road. It would be cheaper if the POA purchased the lot instead of making the corrections OR they could trade us the lot they recently purchased, by the water plant; without further loss of money for the POA. We hope the POA will discuss the options and let us know as soon as possible.

New Business – Discuss & Take Action

Temporarily Extend the Dumpster Service on PUD Property – The PUD sent the POA Board an offer to temporarily keep the dumpster where they currently are located. The key points are: (1) Our contract ends with Republic Services on May 29th, **RS** has offered the PUD a 12 month service as a month-to-month w/o a contract, (2) on May 30th the POA will be responsible to “police” the dumpsters, (3) keep the property clean, (4) pay any over-fill charges that may happen if the lids of the containers are not shut flat, (5) and locate and fine any resident that is non-compliant with the rules. If these conditions are not met after multiple warnings, then the PUD will cancel the service with a 60-day notice to the POA and **RS**.

The POA replied with items they feel need to be done to enter into an agreement. Their key points are: (1) The POA will enter a contract with **RS** and begins receiving the funds so that they can pay people to oversee the dumpsters, (2) site improvements, i.e. solar light poles additional cameras, (3) reconfigure the dumpster placement, (4) and will pay the PUD a \$300 monthly rental fee for taking over the dumpsters, **(which the PUD Board said the POA would not be charged for keeping the dumpsters on PUD property)**.

The PUD Board is not willing to have another on-going contract with **RS** on the property until after the merger with YWSC has completed. Then it would be up to Yancey to enter into an agreement with the POA to allow the dumpsters to stay. The PUD strongly suggests to take the offer given and try it out for up to a year before the POA jumps into a long contract that they can't get out of easily. John will speak w/the POA Board and let us know by the end of the week.

Approve Auditor for Fiscal Year 7/2025 – 6/2026: Leslie reached out to the auditor who has completed our last two audits. The cost this year went up \$300. Because this auditor has successfully completed our last two audits on time and within budget, **a motion** was made by Rector, 2nd by Lee to contract with Armstrong, Vaughan & Associates to do this year's audit at a cost of \$7,800.00. **Unanimous**

Proposed Budget: Katherine compiled our proposed budget this year, noting that we don't have the assessed values of our community from the tax office yet, our interest income will be less because of the large out lay of funds over the next year, and inflation. After going through most all line items, **a motion** was made by Rector, 2nd by Lee to accept the proposed budget for 2026-2027 as presented. **Unanimous**

Board Appointment (Tabled)

Next Meeting: The next meeting will be on June 8, 2026 at 6:30 PM at the PUD Building

Adjourn: Having no further business, the meeting was adjourned at 8:02 PM.

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