



# CAPE ROYALE UTILITY DISTRICT

1330 CAPE ROYALE DRIVE  
COLDSRING, TEXAS 77331

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## Public Meeting Minutes

The board of directors (The Board of Cape Royale Utility District of San Jacinto County, Texas) held a board meeting on November 16th, 2023 at 3:00 pm at the district conference room, 1330 Cape Royale Drive, Coldspring, San Jacinto County, Texas.

Present from the Board: Dale Toronjo, Lynn Watkins, Richard Masterson, and Douglas Pulgini.  
Present from the District: Larry Clark, Michael Jacobs, Heather McCann.

1. Call to order at 3:00 pm by Dale Toronjo
2. Visitor(s) were from the Cape Royale Area Volunteer Fire Department, Elgean Shields.
3. The minutes of the previous board meeting were reviewed and approved as written.
4. There were no customer comments.
5. Jon Watson from BW&C CPA presented the Cape Royale Utility District, Audit Report FYE on June 30<sup>th</sup>, 2023. The audit was performed by the General Accepted Auditing Standards (GAAS). The District received an unmodified opinion for the 3<sup>rd</sup> year. There proceeded to be discussions, questions, and answers by Jon Watson. Jon Watson also presented the required SAS 114 & SAS 155 letters for clarification and explaining any findings. President, Dale Toronjo signed the Annual Filing Affidavit.  
\*Motion to accept and approve the Annual Financial Report as written was presented by Dale Toronjo, Richard Masterson 2<sup>nd</sup> the motion. The motion passed by unanimous vote
6. Larry Clark's presented the CRUD 5-Year Plan 2023-2028. There was time for discussion, questions, and answers by Larry Clark.  
\*Motion to accept and approve the CRUD 5 Year Plan was presented by Lynn Watkins, Doug Pulgini 2<sup>nd</sup> the motion. The motion passed by unanimous vote.
7. There was continued discussion concerning the adoption of a Professional Employer Organization (PEO). Due to the absence of one of the Board members and the need for updated pricing, this matter was tabled for the December meeting.
8. Larry Clark presented the General Managers Report with concerns about growing pipeline breakages and the fact that CRUD is producing record-setting volumes of water due to the drought.
9. The Field Operations Report was presented by Michael Jacobs with no particular issues, except for the increase in water line breaks and repairs due to the drought and newly installed water/sewer taps.
10. Heather McCann presented the October Tax Assessor's/Collector Report with a 2023 collection rate of 6.6% and net deposits of \$71,659.72.
11. Heather McCann presented the October 2023 Bookkeeper's Report with no particular issues.



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12. No other pending business.
13. The meeting was adjourned by Dale Toronjo at 3:59 pm
14. The next meeting will be held on December 21<sup>st</sup>, 2023 at 3:00 pm.
15. There was no Executive Session

Submitted by: Douglas Pulgini