

Kempner Water Supply Corporation

P.O. Box 103

Kempner, TX 76539

(512)932-3701

Fax (512) 932-2546

(254)547-9430

Subject: Minutes of the Board of Director's Meeting on September 23, 2020 are in summary only and, not a transcript of the recorded meeting.

Attendees: Board - Richard (Ric) Dominowski, Glen Posey, George McClintock, Roger O'Dwyer, Tom Kyzar, Wende Hammond and Kenneth Sinker. Keith Turner joined by phone. Mack Carroll was absent.
Guests - Owen Dewitt
Staff Present - Delores Coberley, Stacy Ellis, Michael Lentz and Susan Isenburg.

- 1. Called to Order and Establish Quorum – 6:00 pm Quorum Present**
- 2. Pledge of Allegiance and Honor to the Texas Flag**
- 3. Open Session**

Owen DeWitt asked the Board to consider asking Mack Carroll to resign from the Board rather than administratively removing him.

“NEW BUSINESS”

- 4. Discussion and possible action to approve the August 26, 2020 Monthly Board of Director's Meeting Minutes.**

Glen Posey made the motion to approve the August 26, 2020 Monthly Board of Director's Meeting Minutes with amending item #6 to remove "O opposed". Tom Kyzar seconded the motion. 8 in favor and 0 opposed.

- 5. Discussion and possible action to approve the August 26, 2020 Special Call Budget Workshop Meeting Minutes.**

Tom Kyzar made the motion to approve the August 26, 2020 Special Call Budget Workshop Meeting Minutes. Wende Hammond seconded the motion. 8 in favor and 0 opposed.

- 6. Discussion and possible action to approve the August 2020 Financial Statements.**

Roger O'Dwyer made the motion to approve the August 2020 Financial Statements. Kenneth Sinker seconded the motion. 8 in favor and 0 opposed.

7. Discussion and possible action to approve the City of Georgetown CCN transfer On FM 2484.

The City of Georgetown CCN transfer on FM 2484 is 7,617.6 acres and has no customers in it. The legal fees will be approximately \$3,000.00 that Kempner WSC will have to pay. Kenneth Sinker made the motion that Kempner WSC acquire from the City of Georgetown the right to provide water service within an area containing about twelve square miles; that the contract relating to the transaction received from the City of Georgetown is acceptable; that the blanks may be filled in and minor changes made that are acceptable to legal counsel; and that Kempner's officers and employees are authorized to sign the agreement when approved by legal counsel and to take such actions as may be required to implement the agreement, including but not limited to the payment of money owed to the City of Georgetown under the agreement. Roger O'Dwyer seconded the motion. 8 in favor and 0 opposed.

8. Discussion and possible action to approve rebuilt motor for backup at the 195 Pump Station. Pumps 4 & 5 were replaced with new motors, due to lightning strike.

Keith Turner suggested that we find a Lightning Specialist to perform an audit on our facilities to see why they are so prone to lightning strikes. Ken Sinker made the motion to approve the rebuild of two motors for backup at the 195 Pump Station in the amount of \$22,430.00 (to be paid out of the 2019-2020 budget). Tom Kyzar seconded the motion. 8 in favor and 0 opposed.

9. Discussion and possible action regarding removal of director Mack Carroll, pursuant to Article V, Section 2 of the KWSC Bylaws.

Ric Dominowski stated Mack Carrol has done a great job but, the Corporation needs all Director's here. Glen made the motion to ratify the letter as notice for missing 2 consecutive meetings. Ken Sinker seconded the motion. 8 in favor and 0 opposed. Roger O'Dwyer made the motion to draft a resignation letter that he and Ric will hand-deliver to Mack to sign. Tom Kyzar seconded the motion. 7 in favor and Glen Posey opposed.

10. Discussion and possible action regarding filling of vacancy on the Board of Director's.

Tabled until October meeting.

11. Executive Session prior to discussion and possible action in Open Session, pursuant to Section 551/071, for the purpose of consulting with its Attorneys regarding Georgetown Tank Agreement with Lampasas.

Roger O'Dwyer made the motion to table until October meeting. Ken Sinker seconded the motion. 8 in favor and 0 opposed.

“OLD BUSINESS”

“Discussion and possible action”

- a) **CTWSC** - CTWSC filed an appeal on June 10, 2020 and their brief was filed on September 11, 2020. We will file our brief in 30-60 days.
- b) **Transfer of CCN** - Approved by the PUCT and should be receiving Escrow money any day now.
- c) **CR 3600 Line Loop Project** - Environmental report phase.
- d) **CR 3420 Pump Station Project** - Advertise for bids beginning September 18, 2020 with bids due on Tuesday, October 20, 2020. Ric and Ken want to attend the pre-bid meeting.
- e) **FM 1113 Waterline Loop** - Environmental report phase.
- f) **Stone Oaks Elevated Storage Tank** - Currently in the electrical relocation and site prep phase to be completed in October. Project completion and demolition scheduled for April 2021 – June 2021.
- g) **USDA Loan through CoBank** - Currently working on the environmental report for phase 2 (CR 3600 and FM 1113 waterlines).
- h) **City of Georgetown CCN Transfer on FM 2484** - Georgetown accepted request for transfer. PUCT and agreement pending.

12. Manager’s Report:

Delores Coberley informed the Board the lightning strike expense is up to \$62,000.00 and there is a \$25,000.00 deductible for the insurance claim. She informed them she has found an engineer to replace Steger & Bizzell for the plant, his name is Steve Kahlman. She had a meeting with Jason regarding the 3420 Pump Station upgrade and the cost has increased due to the cost of parts. The pre-bids coming in, look like the cost is closer to \$612,000 which is an over-run of 46%.

13. President’s comments.

Ric Dominowski announced there will be a check signing training on October 7. He thanked the Board for the compassionate dialog regarding Mack, he said he had struggled with this situation.

14. Board of Director’s Announcements:

Roger O’Dwyer - Nothing

Kenneth Sinker - Nothing

Keith Turner thinks that we should recognize Mack Carroll for the good service that he has given to the Corporation.

Wende Hammond - Nothing

Tom Kyzar - Nothing

Glen Posey - Nothing

George McClintock - Nothing

15. Adjourn

Roger O'Dwyer made the motion to adjourn at 7:28 pm. Tom Kyzar seconded the motion. 8 in favor and 0 opposed.

George McClintock, Secretary/Treasurer