

**Kempner Water Supply Corporation**

**P.O. Box 103**

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**Subject:** Minutes of the Board of Director's Meeting on March 25, 2026, are in summary only not a transcript of the recorded meeting.

**Attendees:** Board - Billy Mallady, Sam Kier, Dan Christy, John Daughtery, Richard Dominoski, Kenneth Spoon, Stella Clements, Kara Bathurst and Brandon Butts.  
Staff - Bruce Sorenson, Susan Isenburg, Janet Clayton, Bo Wilson and TJ Amstead.  
Guests - Dennis Kliza, Sammy Cude, Darren Barker and James Kerby.

- 1. Called to Order and Establish a Quorum – 6:00 pm Quorum Present**
- 2. Pledge of Allegiance and Honor to the Texas Flag.**
- 3. Open Session – None**
- 4. Discussion and possible action to approve February 25, 2026, Board of Director's Monthly Meeting Minutes.**

Kara Bathurst made the motion to approve February 25, 2026, Board of Director's Monthly Meeting Minutes. Dan Christy seconded the motion. 9 in favor, 0 opposed.

- 5. Discussion and possible action to approve February 2026 Financial Statements.**

Dan Christy made the motion to approve the February 2026 Financial Statements. Sam Kier seconded the motion. 9 in favor, 0 opposed.

- 6. Manager's Report.**

Bruce provided updates on operations and capital projects. The Generator project at the water plant is progressing with startup, the breaker, wiring conduit and slab have a March 16th completion date. Raw water pump pulled out of the mud, cleaned and raised to higher level. The million-gallon tank is being delivered April 16<sup>th</sup>, and the pad for the tank will be completed April 25<sup>th</sup>. The chlorine flow injector has been installed and a new panel for SCADA and Pall control is installed. All bacteriological samples and CL2 residuals have been good. Water loss was 10.2%. The crew has been repairing some minor leaks and doing cleanups.

## 7. Discussion and possible action regarding Old Business.

### a) Contracts with City of Lampasas and Salado Water Supply.

- **Lampasas Contract:** Bruce updated the Board on the Lampasas City Council Meeting. Jason Jones, the engineer for Lampasas, presented a good presentation on the water issues that Lampasas may be incurring from CTWS inability to make water. Kempner is the only water source that Lampasas can receive water from, and the contract will have to be amended. They have agreed to fund the VFD's from the Joint Use Account and the next meeting with Lampasas will be May 11<sup>th</sup> and will be staff only.
- **Salado Contract:** The contract has been revised since the last meeting. We propose that they will pay for the BRA reserves and take or pay. Benefits are anything that they take over the 1600-acre feet they pay for and they will still pay for the Capital Expenses at 9.40%.

### b) Central Texas Water Alliance:

It will cost \$5,000.00 to join the Alliance and we have a fact sheet that will need to be sent to them.

### c) BRA Reserves - No update

### d) National Utility Infrastructure - No update

## 8. Discussion and possible action regarding New Business.

### a) TBD CR 4700 Subdivision with plat exemption.

Brandon Butts made the motion to approve the subdivision on CR 4700 with the County exception and with the notation that an easement is required. Kenneth Spoon seconded the motion. 9 in favor, 0 opposed.

### b) Difference between TCEQ and KWSC Reported Plant Capacity.

TJ informed the Board that the capacity for the Plant is in TCEQ's Water Watch and they have not updated any numbers. The design numbers for the capacity of the Plant are not what the Plant produces due to the lack of a Clarifier.

### c) Mustang Springs Contract. (Wholesale Contract 6 miles from the Plant)

Bruce stated that the contract included in the packet is for discussion purposes. He received a revised contract from the lawyer, and it went from a 5-page contract to a 12-page contract.

Dan disagreed with the Mustang Contract, he stated: 1) In his 44 years of working in the construction industry, he had seen lots of Contracts and that this was the worst Contract he had ever seen. 2) Bruce has been complaining about the Lampasas Contract since he started working for KWSC and that this Contract will get us in trouble just like the Lampasas Contract. 3) He asked why we should give Mustang Springs a better rate than we do with our members? 4) There is no mention of a Clarifier in the Contract as previously spoken about. 5) Mustang Springs should pay the same amount for water that Kempner members are paying.

Darren from Mustang Springs stated that they will maintain their system and Kempner will not be responsible for the pressure or infrastructure within the subdivision and they are installing the tank. He also stated that they would not be responsible for a Clarifier at the cost of \$15,000,000. Brandon stated that there is room for negotiating. Billy wants a spreadsheet on how we arrived at the rate for the water to Mustang Springs.

**9. Board of Director's Announcements:**

Stella Clements asked about the next Lampasas meeting. Bruce informed her that it will be May 11 with staff only.

Kara Bathurst commended Bruce on the Salado contract.

All the Board members thanked John for his service to the Board.

**10. President's Comments:**

Billy appreciated the passion that was shown tonight for the Corporation. He thanked John for his service.

**11. Adjourn**

Brandon Butts made the motion to adjourn the meeting at 7:40 pm. Kenneth Spoon seconded the motion. 9 in favor, 0 opposed.

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**Dan Christy, Secretary/Treasurer**