

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 May 26, 2021 are in summary only and, not a transcript of the recorded meeting.

Attendees: Board - Richard (Ric) Dominowski, Owen DeWitt, Keith Turner, George McClintock, Carl (Tom) Kyzar, Scot Mullican, Roger O'Dwyer, Glenn Posey and Kenneth (Ken) Sinker attended by phone.
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 - No Comments.**

"NEW BUSINESS"

- 4. Discussion and possible action to approve the April 28, 2021 Monthly Board of Director's Meeting Minutes.**

Owen DeWitt made the motion to approve the May 26, 2021 Monthly Board of Director's Meeting Minutes with changes to #9 to specifically reflect that he abstained from voting because he lives in the affected area. Tom Kyzar seconded the motion. 9 in favor and 0 opposed.

- 5. Discussion and possible action to approve the April 2021 Financial Statements.**

Glen Posey made the motion to approve the April 2021 Financial Statements. Roger O'Dwyer seconded the motion. 9 in favor, 0 opposed.

- 6. Discussion and possible action to approve the BOD Calendar of Events change regarding Tariff/Rates.**

Glen Posey explained the Tariff/Rates Committee had tried to align the Calendar of Events to move closer to the Budget. Glen Posey made the motion to table until next year. Tom Kyzar seconded the motion. 9 in favor, 0 opposed.

7) Discussion and possible action regarding Committee Meeting Minutes:

a) Policy Committee Meeting – May 10, 2021

Glen Posey reviewed the Policy Committee Meeting Minutes with the Board and explained the recommended changes as outlined in the minutes with two additional changes under the Open Board Meetings on page 19:

- a. Guests may comment to the Board during the designated “Open Session”.
- b. When dealing with confidential matters, the Board may elect to go into a closed “Executive Session” at any time during the meeting.

Glen made the motion to approve the Policy Committee Meeting Minutes with recommended changes. Roger O’Dwyer seconded the motion.

9 in favor, 0 opposed.

b) Personnel Committee Meeting – May 10, 2021

Roger O’Dwyer informed the Board the committee recommended changing the cash reward from \$200.00 to \$1000.00 for the employees. Keith Turner suggested that they present the award to the employee at the monthly board meeting and put in the local paper.

Keith Turner asked that we change the wording on page 27 from Social Security Administration (SSA) to Social Security Index (SSI) and make both policies match.

Glen Posey made the motion to approve with the recommended changes.

Owen DeWitt seconded the motion. 9 in favor, 0 opposed.

“OLD BUSINESS”

“Discussion and possible action”

a) CTWSC – The El Paso Court of Appeals heard oral argument on Thursday, May 20, 2021. The argument centered on the CTWSC viewpoint that a “fair” reading of the whole contract requires that the billing formulas for electricity water, and O&M should be restricted to the volume usage of the old water treatment plant since that was the only plant in existence at the time. Our argument drew the court back to the actual language of the agreement – that does not consider anything other than the total volume of all customers, and the previous cases that require the court to only look at the words actually used by the parties in the agreement. Keith Turner requested a transcript of the El Paso meeting and would like for that to be part of the minutes.

b) 3600 Line Loop Project – We anticipate Bidding for the proposed improvements in June 2021. Environmental Study has been received.

c) FM 1113 Waterline Loop –“See CR 3600 Line Loop Project”

d) CR 3420 Pump Station Project – Paid 3 checks to Legion Development in the amounts of \$10,350.00, \$65,299.77 and \$27,955.80 totaling \$103,605.57 of the \$574,650.00 approved amount. Currently, the contractor has completed the storage tank and building foundations at the pump station site and is in the process of installing the underground piping, electrical conduit and valve vault.

e) Stone Oaks Elevated Storage Tank – Paid 8 checks to Caldwell Tanks in the amounts of \$22,571.34, \$125,630.09, \$243,063.87, \$87,714.54, \$453,516.70, \$37,161.72, \$86,710.68 and \$175,788.31 totaling \$1,232,157.25 of the \$1,752,600.00 approved amount. Note: Bid from Caldwell Tanks came in at \$1,632,600. Currently painting is complete. Finish work and demolition is being completed. Project completion scheduled for June – July 2021.

f) USDA Loan through CoBank – We anticipate submittal of the Environmental Report and Preliminary Engineering Report (PER) for Phase 2 to USDA in June 2021, which will facilitate bidding the FM 1113 and CR 3600 waterline projects.

g) GIS Mapping for Distribution System - Phase I complete. Completed process of scanning georeferencing and digitizing Distribution Maps for KWSC's (5) distribution zones (North, Northwest, West, Southwest and East) and currently coordinating additional information needs with KWSC staff.

h) Chlorine Injection Site – On October 28, 2020, KWSC Board authorized the engineering design and cost analysis for the proposed Chlorine Injection Equipment at the abandoned Pump Station site located at the KWSC field operations office. The project is intended to boost the disinfectant residuals in KWSC's two 24-inch transmission mains along Highway 190 and FM 2313. Currently, we have determined that the proposed chlorine injection site will require inline static mixer(s) due to the proximity of the site to existing customers, which will likely be cost prohibitive at this time due to large water line diameter and additional valve requirements. We recommend implementing a tank mixing system first and revisiting the proposed chlorine injection site in the future if disinfection residuals continue to be a concern.

i) CCN Amendment – Topsey WSC Overlap – In February 2021, KWSC staff received approval from Topsey WSC for an overlapping CCN which will be required for water service to the proposed Northern Hills Phase 2-5 and Ryatt Ranch subdivisions. Currently, coordinating final submittal requirements with the PUC and KWSC staff.

j) CCN Amendment – City of Copperas Cove Overlap – Continuing negotiations regarding the trade of CCN in overlapping areas.

7. Manager's Report:

Delores Coberley informed the Board that the system is running well and we have no issues with great quality water. The CCR has been posted to the web for our customers and will now have to go out twice a year. The water industry is highly regulated and there are many tests that have to be done to meet requirements.

8. President's comments.

Ric Dominowski reminded the Board to turn in comments regarding the General Manager, verbally or in writing one week prior to the July Board meeting and for Delores Coberley to turn in her list of accomplishments at the June meeting. He also wished Delores a Happy Birthday.

9. Board of Director's Announcements:

Roger O'Dwyer stated we seem to be moving in the right direction.

Glen Posey stated he saw an article on the news about the BRA cost increase, that we weren't the only water supply that was hit with an increase.

George McClintock - Nothing

Tom Kyzar - Nothing

Keith Turner - Nothing

Ken Sinker - Nothing

Scot Mullican - Nothing

Owen DeWitt - Nothing

10. Adjourn

Roger O'Dwyer made the motion to adjourn at 7:03 pm. Tom Kyzar seconded the motion. 9 in favor, 0 opposed.

Keith Turner, Secretary/Treasurer