

Kempner Water Supply Corporation

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Subject: Minutes of the Board of Director's Meeting on May 22, 2024, are in summary only and, not a transcript of the recorded Meeting.

Attendees: Board - Dennis Kliza, Richard (Ric) Dominowski, Sam Kier, John Daugherty, Stella Clements, Kara Bathurst and Dan Christy. Billy Malady was absent. Paul Williams arrived at 6:02PM.
Staff - Bruce Sorenson, Stacy Ellis, Chris Mick, Michael Lentz, Bo Wilson and Susan Isenburg.
Guests - None

- 1. Called to Order and Establish Quorum – 6:00 pm**
- 2. Pledge of Allegiance and Honor to the Texas Flag.**
- 3. Open Session: None**

NEW BUSINESS

- 4. Discussion and possible action to approve April 24, 2024, Monthly Board of Director's Meeting Minutes.**

Dennis Kliza requested in the manager's report to add PM after the time the repairs were started. Sam pointed out the director's comments include George McClintock; he was no longer on the Board at that time. Sam Kier made a motion to approve April 24, 2024, Monthly Board of Director's Meeting Minutes with the above-mentioned changes. Dan Christy seconded the motion. 7 in favor, 0 opposed.

Paul Williams Arrived

- 5. Discussion and possible action to approve April 2024 Financial Statements.**

Sam Kier made a motion to approve April 2024 Financial Statements. Kara Bathurst seconded the motion. 8 in favor, 0 opposed.

- 6. Discussion and possible action to approve Committee Meeting Minutes.**

a) Policy Committee Meeting - May 1, 2024

Sam went over the Policy Committee minutes and recommendations with the Board. Ric Dominowski asked who the IT position reports to. Bruce said he works for the Distribution Manager and the Plant Manager. Ric said there should be only one person that the position reports to. The Board and Bruce discussed who that should be and decided to place him in the organizational chart under the CFO/Assistant General Manager. John stated this is more a decision that should be made by management and not in the realm of the Board's duties. Ric Dominowski made the motion to approve the minutes and recommended changes with the above-mentioned change to the organizational chart. Dan Christy seconded the motion. 7 in favor, John Daugherty abstained.

b) Member/Customer Relations Committee Meeting - May 1, 2024

Dan Christy went over the Member/Customer Relations Committee minutes and recommendations. Sam Kier made the motion to approve the minutes and recommendations of the Member/Customer Relations Committee. Ric Dominowski seconded the motion. 8 in favor, 0 opposed.

c) Personnel Committee Meeting - May 1, 2024

Dan Christy went over the Personnel Committee minutes and recommendations. He explained the Committee is leaning towards a 6% match of retirement contribution but wanted to leave it up to discussion with the full Board.

Sam Kier made the motion to increase the retirement account match to 7%, increase the maximum match to \$8,500 and accept all other Committee recommendations, to be effective immediately. Ric stated he thinks 6% is fair and can be revisited in the future if the industry standard is 6%. John Daugherty seconded the motion. 3 in favor, 5 opposed. Motion not carried.

Ric Dominowski made a motion to increase the retirement account match to 6%, remove the maximum match completely and accept all other Committee recommendations, to be effective immediately. Kara Bathurst seconded the motion. 8 in favor, 0 opposed.

7. Discussion and possible action regarding Old Business.

- a) **Rack Installation @ WTP** – Project is 100% complete and awaiting DIT approval and inspection by TCEQ.
- b) **WCID1 Water Line Interconnect** – Meter installation is pending.

8. Manager's Report:

Susan informed the Board the office is sending out RPZ letters. We have sent 146 this week. Non-compliance is down to 7%, with only 28 remaining to get into compliance. Bruce informed the Board the lake level is 632.1 feet today. Distribution has been able to find the broken line in the river but there is too much water to make the repair at this time. Bo explained we have installed an isolation valve and are back feeding the customers that were initially affected so waiting to make the repair it not impacting any members. Bruce informed the Board he met with Lampasas this month and it looks like they will be willing to cost share with the Cla-Val installation at 580 and 190. We also met with Salado this month and talked about possible contract amendments. They paid \$124,000 of Capital expenses they have not paid the last couple of years. At the Central Texas Water Board meeting, they voted to increase the capital contribution from 11% to 23% which would require Lampasas to sign a contract amendment for it to apply to our bill. It does not look like Lampasas will be willing to sign an amendment and I informed Lee Kelly that KWSC will not pay the increase. The Chlorine Injection Site is coming along well, and I project it will be done by August.

9. Board of Directors' Announcements:

Kara Bathurst – Nothing.
Stella Clements – Nothing.

Ric Dominowski – Nothing.
Dan Christy – Nothing.
Paul Williams – Nothing.
John Daugherty – Nothing.
Sam Kier – Nothing.

10. President's Comments:

Nothing.

11. Adjourn:

Sam Kier made the motion to adjourn at 6:56 pm. Paul Williams seconded the motion.
8 in favor, 0 opposed.

Richard Dominowski, Secretary/Treasurer