

**Kempner Water Supply Corp.**

**P. O Box 103**

**Kempner, TX 76539**

**(512) 932-3701**

**Fax (512) 932-2546**

**(254) 547-9430**

**Subject:** Minutes of the Annual General Membership Board of Director's Meeting on March 27, 2025, are in summary only and not a transcript of the recorded meeting.

**Attendees:** Board - Dennis Kliza, Sam Kier, Dan Christy, Paul Williams, John Daugherty, Kara Bathurst, Stella Clements, and Billy Malady.  
Guests - Adam Haberer with BGFN, Lindsay Cobb, George McClintock, Kenneth Spoon, Griselda & Larry Chipman, John Horengic, Yvonne Cohen, Rebecca Cueras, Jessica & Sean Murphy, Betsy McDonald, and William Garnet.  
Staff Present - Bruce Sorenson, Stacy Ellis, Janet Clayton, Susan Isenburg and JoAnne Welden.

**1. Call to Order and Establish Quorum – 7:00 pm Quorum Present**

President announced voting closed @ 7:01 PM

**2. Pledge of Allegiance and Honor to the Texas Flag**

**3. Open Session:** William Garnett stated he is concerned with things that are going on overseas and feels KWSC should prepare to take measures to be able to continue operations if the world as we know it were to come to an end. A few of his suggestions were to establish a memorandum of understanding with the railroad for transportation, find old pumps that can be hand operated without electricity, find vehicles that are completely analogue, and get oxen for our crews to get around when we are out of fuel and cannot get anymore.

**4. Consideration and possible action to approve March 28, 2024, Annual General Membership Meeting Minutes.**

Sam Kier made the motion to approve March 28, 2024, Annual General Membership Meeting Minutes. Kara Bathurst seconded the motion. 8 in favor, 0 opposed, 0 abstained.

**5. Discussion and possible action to approve the 2024-2025 Audit.**

Adam Haberer, Auditor of Brockway, Gersbach, Franklin & Niemeier, PC went over the 2024-2025 Audit with the Board and audience. Adam stated it was a very clean audit, the financials were presented fairly, and Kempner WSC is in good financial standing.

Sam Kier made a motion to approve the 2024-2025 Audit. Paul Williams seconded the motion. 8 in favor, 0 opposed, 0 abstained.

## 6. Attorney's Report:

Pat Linder, Attorney of Davidson, Troilo, Ream and Garza, thanked the Board, and the Corporation's management for providing the law firm of Davidson Troilo Ream & Garza the opportunity to provide legal services to the Corporation. We continue to assist the Corporation's management in addressing the Corporation's legal and regulatory issues on an "As-requested" basis. We are not aware of any other claims, litigation, or regulatory actions adverse to the Corporation at this time. I wish the Members, the Directors and all the employees of the corporation have a successful year.

## 7. Engineer's Report:

**LAN Engineering:** The purpose of this report is to provide a summary overview of the services that LAN has provided to Kempner WSC in the last year.

1. 5 Application reviews for water service
2. Continued updates to the online ArcGIS maps for the field crews
  - a. This still involves significant coordination with ESRI (makers of ArcGIS)
3. Coordination with Salado involving the connection and chlorine issues – including in-person meetings and discussions
4. Significant coordination with Lampasas about interconnection
  - a. Meeting with Lampasas
  - b. Review of interconnection design with Jones-Heroy
  - c. Memorandum for interconnection design
  - d. Subsequent recommendations and reviews of design
5. Significant discussion about the treatment plant and options for the backwash water
  - a. This included an on-site pilot test with Ovivo
6. Discussion about the Georgetown tank and possibility of isolation
7. Long Range Plan review
8. Review of Stone Oak 12" Replacement line
9. Revisions to Surplus Water Supply Evaluation Report
10. Coordination on an as-needed basis with Kempner WSC staff for field or operational questions
11. Attended bi-weekly meetings with Kempner WSC senior staff for discussions and coordination

**S.D. Kallman Engineering:** Approximately three years ago, my firm, S.D. Kallman, LP. Engineers and Environmental Consultants, was retained by Kempner Water Supply Corporation to assist with questions that arose with the Water Plant Operations. In 2024, Our firm was commissioned for the following projects:

- Preliminary Opinion of Probable Cost update to the original cost estimate to construct pre-treatment facilities at the existing Cliff & Eldine Poe Regional Water Treatment Plant on Lake Stillhouse Hollow.
- Developed plans and specifications and received TCEQ approval for chlorine facilities at the Ivy Mountain standpipe site and chlorine analyzer at the Ivy Gap/Boys Ranch Road site.

- Preliminary Opinion of Probable Cost for a Clearwell, high service pump station and 12-inch water line to be located at Kempner's Water Treatment Plant site to serve Salado Water Supply Corporation's two existing water meters on FM 2484.
- Provided drone services to attempt to film Kempner's existing 24-inch water line from the HWY 195 Pump Station to the Ivy Mountain standpipe. The drone was not able to fly into Ft Hood's air space due to the Army's restrictions.
- Conducted a CT study on the existing water treatment plant treatment process to determine the sizing on a second Clearwell to allow the existing 2 million-gallon Clearwell to be taken out of service for repair.

Should you have any comments or questions regarding this project or related matters, please do not hesitate to call.

## **8. President's Report:**

I would like to welcome the three new board members to Kempner Water Supply Corporation (KWSC). Your job is not an easy one and I applaud you for stepping up in this community.

This past year has been very challenging for Kempner Water Supply Corporation (KWSC). We had two major concrete transmission line breaks during this period -one in April and one in October. While both of these line breaks affected many members, the repairs were accomplished professionally and quickly because of the leadership, grit and dedication of every KWSC team member to get the job done.

Additionally, it should be noted that we went from Drought Contingency Plan Stage 3 in March, 2024 to massive rain induced flooding in April resulting in Stillhouse Hollow Lake water level being 18 feet over the 622 feet full pool level. This new lake level was both a blessing and a curse. On the one hand we had plenty of water to distribute to customers during the hot summer months; however, the extremely high lake turbidity levels from mud and debris sent into the lake made it very difficult for our system to filter the water even with the new Forsta Prefilter/Strainers. This situation resulted in significant chlorine and ammonia use at the plant but low chlorine residuals and nitrification at the outer reaches of our customer distribution area. As a result, we were forced to perform a temporary disinfection conversion from chloramine to free chlorine (a chemical bum) from 26 August 2024 through 26 October 2024. Significant line flushing activities throughout the entire distribution system eventually rid the pipes of persistent organic matter and allowed chlorine residuals to be maintained within normal ranges.

KWSC continues to work with future growth in mind and remains dedicated to increasing capabilities that are needed to accommodate projected growth. During the past year, major projects completed included a Cla-Valve for the FM 580 Meter Site, a new refurbished Butterfly valve and Highway 190 Meter Site, the new Pall Filter Rack approval from TCEQ, a new chlorine injection site at the Ivy Mountain tank, a new wall/chemical skid project and emergency generator bought and slab complete at the water treatment plant, replacement of Pall filters on Rack #3, new caustic tank project complete at the plant, Rack's #1 and #2 Pneumatic Manifolds replaced due to leaks, new 12-inch line installation at Natures Cove on FM 2657, repaired a motor for a high-speed service pump, installed a new variable frequency drive as an emergency replacement, and installed a new Rack # 1 filtrate feeder header which is now in

operation. These are most of the big expense items for the past year. Two new expensive projects on the horizon are the Stone Oaks Outlet to Twin Mountain, 2-mile, 12-inch line upgrade which will provide 700 new connections and a new storage tank at the water treatment plant which will allow us refurbishment of our Clearwell tank. Both of these projects are compliance related.

I express my sincere gratitude to an extremely competent Board of Directors for the job they did during the year. I also want to thank GM Bruce Sorensen for his leadership and friendship. Additionally, the office personnel, field operators and plant personnel are exceptional and I would highly recommend the board get to know them. If I can help KWSC in anyway in the future, I'm one mile away north on FM 2313.

## **9. Manager's Report:**

As I am entering my third year as General Manager of Kempner Water Supply Corporation (KWSC), I am pleased to report that the organization is in a strong and stable position. Throughout 2024, we encountered and overcame challenges, particularly with our water supplier, Central Texas Water Supply Corporation (CTWSC), which had been unable to participate in a Free Chlorine conversion. In June 2024, this issue was resolved with the assistance of the Texas Commission on Environmental Quality (TCEQ), whose optimization Team facilitated the conversion process, enabling us to provide Free Chlorine beginning in August. This conversion was crucial for purging our distribution system, which needed a comprehensive cleaning. Moving forward, we will implement this conversion every two years as part of our maintenance routine.

We successfully completed all major projects scheduled for 2022 and 2023. Currently, we are in the planning stages of projects aimed at ensuring ongoing compliance, increasing system capacity, and supporting future expansion as needed.

Stillhouse Lake, our primary water source, is nearly full as spring approaches. KWSC is anticipating a high-demand summer, but we are confident in our ability to meet members' needs due to the infrastructure upgrades made over the past two years. We have identified additional water sources for future use and will be prepared to tap into these when necessary. Our contingency plan for drought conditions is robust, and we continue to take a proactive approach to accommodate new development as required.

While our current capacity is sufficient, we recognize the need for ongoing upgrades to our treatment plant, storage tanks, and distribution system. Planned projects include the addition of a new storage tank at the water plant and the installation of another filtration rack. Additionally, we are replacing outdated valves throughout the distribution system. Though we will face challenges along the way, I have full confidence in our team's ability to address them effectively.

As state and regulatory agencies impose increasingly stringent standards, KWSC will remain vigilant in ensuring compliance. We have identified potential compliance challenges and have corresponding projects in place to address these issues in a timely manner.

We continue to collaborate with our wholesale customers to address longstanding issues related to income shortfalls from wholesale water contracts. Resolving these issues remains a priority as we strive to maintain the financial health of KWSC.

Our mission continues to focus on delivering reliable water services, maintaining our infrastructure, planning for future growth, and adhering to all state and regulatory requirements. We are committed to ensuring the continued success and sustainability of Kempner Water Supply Corporation.

#### **10. Announcement of Election Results Report:**

Becky McDonald, independent Election Auditor, addressed the Board.

I want to preface this presentation of the written election results by saying that the strict election protocol was followed for the duration of the ballot counting. While the ballot box was unlocked; it remained in my presence until it was locked again. Two people validated ballots, using the Kempner WSC customer list following stipulated guidelines of the Election procedures #8, which states: "A member is entitled to only one vote regardless of the number of memberships, a member owns. A member must be a natural person, a partnership of two or more people having a joint or common interest, including a married couple who jointly own property; or a corporation." After validation of the ballot, one person called the votes while three people separately tallied them. Tallies were periodically, counted and balanced for accuracy.

#### **Ballot Information:**

- 5,409** Ballots Mailed
- 524** Ballots Received
- 24** Invalid Ballots for various reasons (incomplete, not a member, duplicates, etc.)
- 548** Valid Ballots received prior to 12PM (Noon) on March 26, 2025
- 8** Valid Ballots received at Meeting on March 27, 2025

**Results of Director's Election.**

**Candidates for Positions #3, #5 & 6 are as follows:**

	<b>Votes Rcvd by Mail Total</b>	<b>Votes Rcvd @ Meeting</b>	<b>Total</b>
Brandon Butts	<b>387</b>	<b>2</b>	<b>389</b>
Jodi Rumph	<b>187</b>	<b>1</b>	<b>188</b>
Janice Wierzbicki	<b>149</b>	<b>1</b>	<b>150</b>
Daniel Christy	<b>310</b>	<b>2</b>	<b>312</b>
Kenneth Spoon	<b>431</b>	<b>2</b>	<b>433</b>
<b>Total Count</b>	<b>1464</b>	<b>8</b>	<b>1472</b>

**11. Adjourn**

Sam Kier made the motion to adjourn at 7:30 pm. Kara Bathurst seconded the motion.  
8 in favor, 0 opposed, 0 abstained.

---

**Dan Christy, Secretary/Treasurer**