

Kempner Water Supply Corporation

P.O. Box 103

Kempner, TX 76539

Fax (512)932-2546

(512)932-3701

(254)547-9430

Subject: Minutes of the Board of Director's Meeting on October 23, 2024, are in summary only and, not a transcript of the recorded Meeting.

Attendees: Board - Dennis Kliza, Stella Clements, Kara Bathurst, Billy Malady, John Daugherty, Dan Christy and Paul Williams. Sam Kier was absent.
Staff - Bruce Sorenson, Stacy Ellis, Susan Isenburg, Chris Mick, Michael Lentz, and JoAnne Welden.
Guests - Octavio Gaitan-Diaz, John Horengic, Robn Wyckoff, Mike Clouds, and Nick Clayton.

1. Called to Order and Establish Quorum – 6:00 pm

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

3. Open Session:

Robn Wyckoff: We seem to be running into a lot of problems lately. I've been on this water system for over 30 years, and we've been running into a lot of them lately. Are we doing preventive checks and stuff like that? I know when the ground dries it shifts the pipes and breaks them. I understand that, but whatever happened over at Stillhouse earlier this year I didn't comprehend it. I didn't care, I still had water, and I could still bathe. I don't have anything now and we honestly seem to be running into a lot of problems. With the drought, I understand that shortage of water and a couple other problems. I've called out for two different leaks out in my area. They've come to check them, but they couldn't find them. It's where the wet spots were at, so I had to put dye down so they could find it and the other one wasn't showing on top it was just showing down the hill all I had to do was take my tractor and move the rock out of the way and that's where it was coming out of. We're getting leaks. We called for leaks. If I call for a leak, there's a leak. There's another water tower that I assume belongs to Kempner water. I'm not sure. Over there on the west side of Cove? South of Lutheran church and Summers Rd. I believe. I know there's a new one over there, that belongs to Kempner, right? No? I'm kind of upset because I work 12-hour days and I'm smelling bad. I just changed clothes and came here and is there something we can do about getting water or something to bathe in? I got 60 head I must water; they have plenty of water. But we honestly need to look for prevention, I don't know what can be done but this time it's a broken line, no idea where it's at anything like that. Because I know the water tank, I live off of is not too far behind me, but I don't see any work going on between me and them. So, why I don't have any water, I don't know. Alright? I understand things happen I understand that, but it seems like a lot of things are happening this year. Alright, thank you.

John Horengic: I was just wondering if we were going to support the Central Texas Water Alliance that Brad Buckley is working on?

Octavio Gaitan-Diaz: Bruce can you explain what that is please?

Mike Clouds: You just said that the lines we are talking about, the steel with concrete lines that you're working on, were put in the ground in 1978. What's the lines' life expectancy? Are they scheduled to be repaired? What's the plan? No, that's what I'm here for...to ask the board, that's y'all's responsibility to plan for future repairs and upkeep and all that? I'm just curious, I'm raising 3 kids in the area. Not being able to take showers is absolutely ridiculous. Being on a boil water notice for months and months is absolutely ridiculous in 2024. What is the plan? I thought we'd come in here tonight you guys would say yeah, it's broken, here's the plan. When are we going to replace it? It should already be scheduled if it's got a 45-46 year life expectancy. We should have been planning for this years ago. How long has all this been going on? What's the plan? This board has been around for how long? How long has the board been established? So, what are we doing? We can get grant money to help with that, right. That's nothing new, grants have been around forever. I retired from the city and there's grant programs that have been around forever, I just don't understand what the problem is.

NEW BUSINESS

4. Discussion and possible action to approve September 25, 2024, Monthly Board of Director's Meeting Minutes.

Paul Williams made a motion to approve September 25, 2024, Monthly Board of Director's Meeting Minutes. Billy Malady seconded the motion. 6 in favor, 0 opposed, 1 abstained.

5. Discussion and possible action to approve September 2024 Financial Statements.

Kara Bathurst made a motion to approve the September 2024 Financial Statements. Paul Williams seconded the motion. 7 in favor, 0 opposed.

6. Discussion and possible action to approve Calendar of Events 2024-2025.

Dennis Kliza pointed out that the November meeting will be scheduled for the third Wednesday of the month. Dan Christy made a motion to approve the 2024-2025 Calendar of Events. Stella Clements seconded the motion. 7 in favor, 0 opposed.

7. Discussion and possible action regarding Member, Octavio Gaitan-Diaz's recommendation about Public Service Announcements.

Octavio explained his recommendation involves educating the membership. The video content would not be posted without consent. All content would be saved to an external hard drive that would belong to KWSC. I can't do it for free so I would need to be compensated for my time and the gas. These videos would help show the membership where their money is going. I would recommend a free You Tube channel and then the link can be posted anywhere. The general consensus of the Board is Octavio should meet with Bruce, come up with a proposal and bring it back to the Board for a decision at that time. No action taken.

8. Discussion and possible action to approve Old Business.

No updates, no action taken.

9. Manager's Report:

The new modules for rack three have been installed. The water quality in the lake is getting much better. The injection site at Ivy Mountain is working great. We discovered a concrete leak yesterday morning. We are very fortunate and grateful to the local contractors, Lampasas distribution crew, and Thompson Pipe Group for being willing to work with us to help get the repair complete in a timely manner. All of our Bac-T and chlorine residuals have been good. TCEQ has been working with us. I recently signed a letter of interest for the Central Texas Water Alliance. Participation will require Board approval. I am continuing to work with the mayor and their grant writer.

10. Board of Directors' Announcements:

Kara Bathurst – Nothing.

Stella Clements – Nothing.

Paul Williams – Nothing.

John Daugherty – Nothing.

Billy Malady – I appreciate the attendance and enjoyed the lively discussion.

Dan Christy – I know I got a little lively. I think we need to be more aware of what is going on. I think we need to update the Long-Range Plan and have a workshop about paying down the debt. This will put us in a better financial position and enable us to fund the Long-Range Plan. We are going to have to raise rates, continue grant search, working with legislation, etc. I do not want the future Boards of Kempner Water Supply to look at us the way we look at past Board members about not raising rates and taking care of business.

11. President's Comments:

Thank you all for being here. We touched on a lot. I think KWSC is in pretty good fiscal shape in comparison to other Water Supply Corporations I have seen financial information for. That does not mean we cannot do better. Bruce has projects he wanted to do and now he has not been able to do them. We had to put the shackles on Bruce because we have spent \$7 million on projects in the last two years and the money is running low. We have been seeing constant improvements over the last couple of years. When something goes wrong, we fix it. We love to be proactive but there are a lot of pieces to the puzzle.

12. Adjourn:

Paul Williams made the motion to adjourn at 8:06 pm. Kara Bathurst seconded the motion. 7 in favor, 0 opposed.

Daniel Christy, Secretary/Treasurer