

SOUTHWEST MILAM WATER SUPPLY CORPORATION
BOARD OF DIRECTORS MEETING
January 17, 2022

1. *Pledge of Allegiance*

Invocation led by Secretary/Treasurer, Ricky Stewart

2. *President Called Meeting to Order 6:00 p.m.*

Present: Kit Worley, Thomas Nelson, Ricky Stewart, Bob Wilson, Gary Oslick, James Cargill, Lee Pelzel, Mike Offield and Robert VonGonten

Absent:

3. *Public Comments. Jim Smith that lives on Griffith Ln. present to discuss concern with our company's communication and attitude in regard to a water leak that he reported.*

4. *Approval of December 20th, 2021, minutes. Motion to accept the minutes made by Bob Wilson, seconded by Thomas Nelson – motion passed.*

5. *Profit & Loss Statement, Profit & Loss Year to Date Comparison, Profit & Loss Previous Year Comparison, and Profit & Loss Detail for December 2021. Reviewed and Discussed. Motion to accept made by Ricky Stewart, seconded by Robert VonGonten – motion passed.*

6. *Review Balance Sheet and Cash Flow Statement for December 2021. Reviewed and Discussed.*

7. *Review and Approve Corporations Investments. Reviewed and Discussed. Discussed two CD's that will be maturing in February and March and discussed opening an additional \$100,000.00 CD at some point.*

8. *Review Director's Report and Past Due List for December 2021. Reviewed and Discussed.*

9. *Transfers & New Memberships. Reviewed and Discussed.*

10. *Discuss for Action: El Camino Real Estates Phase II – request by Barry Parker. Mr. Parker came into the office prior to this meeting to transfer a meter. Ken Hall and he talked, and Mr. Parker had the impression that his inside infrastructure was too small, Ken explained it was our main pipe that doesn't have the capacity. Mr. Parker asked to remove this from discussion.*

11. *Discuss for Action: Damage to Tree's during construction – Larry Laferre. Ken Hall reviewed with the Board pictures of the area. Mr. Whatley had been approved and needed a line extension to provide a meter down PR 4123 off CR 412. Ken reviewed and discussed the route of the extension. Mr. Laferre requested that we avoid taking out as many trees as possible; this was relayed to our crew and more trees were taken out than maybe should have. Mr. Laferre is wanting compensation. Ken has offered several options over the last 18 months, he always wanted more than what was initially discussed. He is saying we removed 20 to 30 trees and it is appearing that we took out only 4; now he wants money, and he is too busy to meet. Reviewed some examples of the options offered. He wants the Board to present a dollar amount. The Board wants him to tell Ken what he wants. All Board members agreed.*

12. *Discuss for Action: High Water bill – Kathleen Cox. Ms. Cox had a line break at her meter and had already used the one-time adjustment in June 2018; is not eligible for another one until June 2023. She waited until after end of the month closeout before contacting us, so the break fell into 2 billing cycles. We were not able to consolidate the bills and could only offer a payout on one of the bills; the bill for \$1,089.02 was due Jan 10th and the bill for \$878.27 is due Feb 10th. The Board discussed a relief. Motion made to approve a payout on both bills (6-month payout) made by James Cargill, seconded by Lee Pelzel – motion passed. Mr. Worley wants to let the customer know that the Board stretching out to 6 months is not typical.*

13. *Discuss for Action: FM 908 North – 12" line project. Discussed that the pipe that was ordered in November is due to be delivered on approximately Jan 20th. The Board reviewed new quotes for additional pipe. We still need 4 ½ truckloads to get from CR 302 to CR 304. Do we want to get another load at this time? The Board discussed the new quotes and agreed to get another load at the cheaper price from Core and Main. Motion to accept made by James Cargill, seconded by Robert VonGonten – motion passed. Robert discussed that a few customers are concerned with the project as far as dress jobs go.*

14. *Discuss for Action: Preparations for Annual Meeting and Election. Reviewed the wording on the bills that go out this month that Director Applications will be available between Jan 28th and Feb 28th. The only thing that changes with the wording each year are the dates. Motion made to allow Ken and the office to change the dates on the recommended language for the next water bill made by Ricky Stewart, seconded by Mike Offield – motion passed. Briefly discussed the location of the Patterson Center. Motion to go to the Patterson Center made by Ricky Stewart, seconded by Bob Wilson – motion passed.*
15. *Discuss for Action: Existing CoBank loans. Discussed that the City of Thorndale contract references two loans that determine their monthly payment. CoBank Loan #1's payoff is in 2023; when paid off the City's monthly payment will go from \$4,099.00/month to \$2,262.00/month. CoBank Loan #2's payoff is in 2033; when paid off the City's monthly payment will go from \$2,262.00/month to \$1,263.00/month. The monthly payment of \$1,263.00 then stays the same for the remainder of the contract. It is recommended to take no action at this time.*
16. *Manager's Report:*
- *Milano Well-JS Water Wells pulled well, replaced motor, pump, wire and 400ft. of column pipe. A hole was found in a joint about halfway down. Estimated loss of 15-20 GPM.*
 - *Rented a Forestry Mulcher-Used to clear R.O.W. on CR 318 Burleson, FM 908 Milam, CR 455 Milam and FM 487 Milam.*
 - *Anthis Well-The 3 service pumps are becoming undersized. One has to be pulled for rebuild, we have a larger, more GPM pump on order to replace the poorest performing pump.*
 - *Birkhead + Anthis Wells-Plan to get bids on seal coating the inside of the concrete clearwells, cracks have developed and are seeping water.*
 - *Future Well site, Milam CR 314-Just north of Lee Co line, possible development, lots for sale. Owners are only interested in trading property for pipe/meter upgrade expenses.*
 - *FM 908-12" project-See Agenda Item.*
 - *Generator Grant information sent to Judge Young-Milano Well generator cost = \$336,436.00 / Rockdale Well generator cost = \$370,485.00.*
 - *Sandoval Plant-Fill volume is deficient, need larger pumps at either Thorndale or 908 Plants or both. Also, larger pipes from both plants to Sandoval.*
 - *Lina Plant-The distribution pumps have reached capacity and will need to be upgraded as soon as possible.*
 - *Pipeline projects to start-CR 318, Burleson Co, CR455/CR459, Milam Co (8" pipe), FM 3242, Milam Co (6" pipe).*
 - *POSGWD Grant-Application for 2022 is due in March/April. Project consists of upgrading CR 304, Milam Co.*
 - *Texas Rural Water Conference is scheduled for April 6th – 8th.*
 - *Covid Sick Time pay-CDC now says quarantine is 5 days, Board agreed to pay for missed days of up to 5 days with a positive test result.*
 - *Land for new well in Milam Co-Owner wants to trade for 20 meters and line upgrades. Board authorizes Ken Hall to negotiate and offer 10 meters.*
 - *Capital Improvements 2021.*
17. *President's Report:*
18. *Discussion of any item to be included on next agenda:*
Meeting adjourned at 7:43 p.m.

Ricky L Stewart
SECRETARY/TREASURER

02-21-22
DATE