

MELROSE WATER SUPPLY CORPORATION
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MINUTES FOR REGULAR MEETING
HELD NOVEMBER 8, 2016

These are the minutes for November 8, 2016 Regular meeting of the Melrose Water Supply Corporation which was held at 6:30 p.m. at the Corporation's office in Melrose, Texas.

Board members present were Jay Smith, Kenneth Hensarling, Susan Fountain, Keith Millard, Don Parmer and Danny Harkness. Those absent were Lamar Horn.

Others present were: C.W. Wells, Jennifer King, Crystal Jones, Balta Talamantes, Linda Gilpatrick, Jacob Permenter, Terry Cummings, Evelyn Cordova and Ann Woodward.

The board members present addressed the following:

Agenda Item 1: The meeting was called to order by Vice President, Jay Smith at 6:30 P.M.

Agenda Item 2: Jay Smith established there was a proper quorum present for the Board to conduct business.

Agenda Item 3: Open Forum (Comments from the Public – limit of two minutes per person). Ann Woodward addressed the board with her concerns about the financials.

Agenda Item 4: Discuss and possibly take action concerning Minutes from past meetings. Danny Harkness said he didn't see anything wrong with the minutes. Danny Harkness made a motion to approve the Minutes from October 11, 2016. Don Parmer seconded the motion. Motion passed unanimously.

Agenda Item 5: Discuss and possibly take action concerning the status of accounts receivable and financial report for Melrose Water Supply Corporation concerning the month of October 2016. Susan Fountain made a motion to approve the financials for October 2016. Danny Harkness seconded the motion. Motion passed unanimously.

Agenda Item 6: Discuss and possibly take action on how long the board hears from individuals who have requested to be on the agenda. Jay Smith said he spoke with other water boards and they double their time for Public Comments. Kenneth Hensarling said four (4) minutes is long enough. Jay Smith said we have to have something in place to keep time from getting out of hand. Don Parmer made a motion to set a four (4) minute time limit for

individuals who have requested to be on the agenda. Keith Millard seconded the motion. Motion passed unanimously.

Agenda Item 7: Discuss and possibly take action on repairs needed to tanks. C.W. Wells said this is pertaining to the Pace Plant. A representative from Spectrum was on hand to answer questions. He said that he could use temporary tanks while maintenance is being done to the pressure tanks. He said it would be approximately \$62,000 to complete the job with the man covers and pressure tanks being repaired.

Agenda Item 8: Discuss and possibly take action on how Melrose Water Supply Corporation could communicate with their customers. Kenneth Hensarling asked what are the four (4) ways are that TCEQ says we should inform customers. C.W. Wells said they are the newspaper, radio / TV, posting in a public place or directly contact the customer.

Agenda Item 9: Discuss and possibly take action concerning Pineywoods Ground Water rates. C.W. Wells stated that the price is increasing at the next quarter. There is nothing we can do about it. Don Parmer made a motion to take no action. Susan Fountain seconded the motion. Motion passed unanimously.

Agenda Item 10: Receive report from manager or his designee regarding overall systems operations.

1. RVS is installed and we are working out of it now.
2. Data is getting more accurate.
3. Clear Views – 2 have been installed, one at Oakridge and one at the Greer Plant and C.W. Wells plans on ordering another one toward the end of the month for Sandhill.
4. Work Orders – 129
5. Wells – Wanda Drilling replaced a motor at Crossroads because it was draining the tank.
6. Guys are working well.

Agenda Item 11: Discuss and possibly take action regarding Melrose Water Supply Corporation tariff. C.W. Wells said the subcommittee got together and revised the tariff. Rates stayed the same. There are a few changes to the Rules & Regulations. TCEQ multiple hookups has been added. The drought contingency plans is updated. Jay Smith said the subcommittee went over the tariff and that the update has been a long time coming. Kenneth Hensarling asked about the language concerning the “sewage language”. C.W. Wells explained why that needed to be in the tariff. Don Parmer made a motion to approve the tariff for Melrose Water Supply Corporation. Kenneth Hensarling seconded the motion. Motion passed unanimously.

Agenda Item 12: Discuss items for placement on next meeting agenda.

1. Moving the money to repair the tanks.
2. Approving a loan to repair the tanks.
3. Decide who is doing the work on the tanks.

Agenda Item 13: Adjourn

Don Parmer made a motion to adjourn. Danny Harkness seconded the motion. Motion passed unanimously.

Board President Signature

Board Signature