

**SOUTHWEST MILAM WATER SUPPLY CORPORATION**  
**BOARD OF DIRECTORS MEETING**  
**July 19, 2021**

1. *Pledge of Allegiance*

*Invocation led by Vice-President, Thomas Nelson*

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

*Present: Kit Worley, Thomas Nelson, Ricky Stewart, Bob Wilson, Jim Renda, Lee Pelzel, Mike Offield and Robert VonGonten*

*Absent: James Cargill*

3. *Public Comments. None*

4. *Approval of June 21<sup>st</sup>, 2021 minutes. Motion to accept the minutes made by Jim Renda, seconded by Lee Pelzel -- motion passed.*

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

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

7. *Review and Approve Corporations Investments. Reviewed and Discussed.*

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

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

10. *Discuss for Action: Non-Standard Service Agreement for CR 322 Project Phase I Subdivision. Discussed that the Subdivision is located south of Rockdale and the Developer has paid \$46,250.00 for line upgrades for 10 lots. Everything is in order. Reviewed the check list for future phases. Motion to accept made by Ricky Stewart, seconded by Bob Wilson – motion passed.*

11. *Discuss for Action: Rise Broadband water tower lease agreements. This item was on the agenda a couple of months ago. Briefly discussed wanting to contact Bartlett Electric about their infrastructure; was able to get a hold of their manager and was informed that their wireless was going to be temporary while their fiber was installed. Discussed the option of moving forward with the leases or staying month to month with Rise Broadband. Briefly discussed future possibilities with other companies coming in that may need our towers. Reviewed and Discussed parts of the contract and negotiated terms; the contract has not been reviewed by an Attorney and was written by Rise Broadband. Discussed keeping the 5% annual escalator instead of the 2% presented in the negotiated terms. Motion made to send the contract back to them, that we want to keep the 5% annual increase made by Lee Pelzel, seconded by Ricky Stewart – motion passed.*

12. *Discuss for Action: Future wells and water supply options. Our Engineer is currently working on a bid packet for a test well at the Salty Pump Station location. Discussed the information regarding Alcoa's request to have their current permits changed from Industrial to Municipal, Industrial, Manufacturing and Commercial. The Post Oak Savannah hearing is next Thursday, July 27<sup>th</sup> and there is a possibility that Post Oak Savannah could take action. Briefly discussed some of our options if they get approved. Discussed getting info on our wells from Post Oak Savannah and the cone of depression, the impact and liability. Discussed possible well site options, the costs involved, our infrastructure, the FM 908 project timeline, and the potential growth in the Thorndale area. No action taken.*

13. *Manager's Report:*

- *Employees-Hired Preston Gordon and Justin Cruz over the last 30 days, Sam Molina left for unknown reasons.*
- *12" Pipe for FM 908-Purchased 1,960ft @ \$29.94 per ft. from Ferguson the last week of June.*
- *City of Rockdale-Working to annex part of the Texas St. ROW and what appears to be most of the Industrial Park, they already have the CCN to serve utilities in the Industrial Park. Be aware that Annexation and CCN are two different things.*
- *New Equipment-SW Milam will need a new Skid-Steer or Front-End loader and a new mini-x. Reviewed cost estimate examples.*

- Purchasing a 20 ft. shipping container office for the plant operators to work out of. New building would be located at the shop. Joe Van Winkle of J-Lin Construction. Cost=\$7,050.00.
- 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-CR424, Williamson Co (8" pipe) in progress, Hwy 77/CR 413, Milam Co in progress, CR 414, Milam Co in progress, CR 318, Burleson Co, CR 415E, Lee Co, CR455/CR459, Milam Co (8" pipe), FM 3242, Milam Co (6" pipe).
- Capital Improvements 2021.

14. President's Report: Mr. Kit Worley, President, discussed Non-Standard service agreements by adding a provision to allow Ken Hall, General Manager, to approve Subdivisions with up to 9-meter requests, the approval could come back to the Board for further review and could be added to the agenda next month. The Board agreed to start allowing Ken to approve and Mr. Worley is authorizing Ken to start now and can be ratified next month.
15. Discussion of any item to be included on next agenda:  
Meeting adjourned at 8:21 p.m.

Ricky L Stewart  
SECRETARY/TREASURER

8-16-2021  
DATE