

**MELROSE WATER SUPPLY CORPORATION**  
**12574 East State Hwy 21, Nacogdoches, TX 75961**  
**Phone: 936-560-2360 Fax: 936-560-5446**

**MINUTES FOR REGULAR MEETING**  
**HELD OCTOBER 11, 2016**

These are the minutes for October 11, 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 Danny Harkness, Jay Smith, Lamar Horn, Don Parmer, Susan Fountain and Keith Millard.

Others present were: C.W. Wells, Jennifer King, Crystal Jones, Balta Talamantes, Velma Roberts, Ann Woodward, Evelyn Cordova and Linda Gilpatrick.

The board members present addressed the following:

Agenda Item 1: The meeting was called to order by President, Lamar Horn at 6:30 PM.

Agenda Item 2: Lamar Horn 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).

1. Velma Roberts discussed her concerns with meter readings.
2. Linda Gilpatrick discussed her concerns with meter readings and a leak on CR 392.

Agenda Item 4: Discuss and possibly take action concerning Minutes from past meetings. Jay Smith made a motion to approve the minutes from September 2016 Regular Council Meeting. 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 September 2016. Jennifer King went over disconnects and account status. Jay Smith made a motion to approve the financials for September 2016. Keith Millard seconded the motion. Motion passed unanimously.

Agenda Item 6: Discuss communications requirements between Melrose Water Supply and the customers.

C.W. Wells certificate from TCEQ explaining why boil notices are issued and that not all leaks require a notice be issued. C.W. Wells also explained that TCEQ has four (4) options to use when notifying customers of boil water notices and that we are only required to do one (1) of the four (4). Jay Smith said we have got to let the customers know the best way possible.

Jennifer King went over what other water departments do to notify their customers of boil water notices.

Agenda Item 7: Discuss and possibly take action on how long the board hears from individuals who have requested to be on the Agenda.

Jennifer King stated she contacted the Attorney General's office and they said there is nothing in the Open Meeting Act that states how long a board is to allow someone to address the board that the time is predetermined before the meeting by the Board of Directors. Jay Smith made a motion to table this item. Don Parmer seconded the motion. Motion passed unanimously.

Agenda Item 8: Discuss and possibly take action on concerns from Ann Woodward on

1) I will report my discussion with the Sentinel regarding charging for "Boil Water" notices. Mrs. Woodward stated she got a copy of the letter that the Daily Sentinel sent Melrose Water from C.W. Wells. She had spoken to Robin Land the Publisher at Daily Sentinel and told her this was Public Health, not legal or private. Mrs. Woodward said she would be talking to the Daily Sentinel again on November 1<sup>st</sup> and would have more information at the next board meeting.

2) Discuss and take action on recommendations to improve communications. Mrs. Woodward asked that we take action not just discuss communication problems. Mrs. Woodward stated that if we limit the amount of time we give people to discuss their agenda item; it would not be right because that is the only time customers have to address their concerns to the board. She recommended that we get signs that say "Boil Water Notice" with a contact phone number to be placed at the end of roads that are under a "Boil Water Notice". Jay Smith said to take No Action.

Agenda Item 9: Receive report from Manager or his designee regarding overall systems operations.

1. DPC Chemical Company is increasing their price to \$.06 a gallon.
2. Regal Chlorinator came in and done a training on the chlorinator services.
3. TCEQ came in and tested the water. They tested for BOC and nitrates. The samples came back good. There should be no more testing for the year. C.W. Wells has a schedule for 2017 testing. He also has a quote for sampling.
4. Samples were taken at the Parmer Plant, at the end of the line on CR 349 and at 1066 CR 339. All the samples came back good.
5. C.W. Wells stated that one employee was terminated and that we had hired Balta Talamantes.

Agenda Item 10: Discuss and possibly take action on repairs needed to tanks.

Loan Quotes were received from:

Huntington State Bank - \$60,000 CD – Interest on the loan would be 2.5% and the interest on the CD would be .5% the note would be \$1733.00 per month.

Bancorp South - \$60,000 CD – Interest on the loan would be 2.5% and the interest on the CD would be .5%

Lamar Horn asked if we had prices from Commercial Bank. Jennifer King said we had not heard back from them.

Danny Harkness asked if the prices we had were still good. C.W. Wells said yes. Jay Smith asked who the prices were from and C.W. Wells said the same people that did the Greer Plant. C.W. Wells discussed coating and painting needs. Jay Smith made a motion to table this item. Don Parmer seconded the motion. Motion passed unanimously.

Agenda Item 11: Discuss and possibly take action on the status of the generators at the plants. C.W. Wells said that Scott Watson with Generac came out to determine what size generator would be needed at the Chireno and the Oakridge Plants. C.W. Wells presented the report at last month's meeting.

Agenda Item 12: Discuss and possibly take action on purchasing RVS billing software. Jennifer King reviewed the bid and explained the benefits from using RVS. Jay Smith made a motion to purchase RVS Software. Danny Harkness seconded the motion. Motion passed unanimously.

Agenda Item 13: Discuss and possibly take action regarding Melrose Water Supply Corporation Tariff. Jay Smith said the subcommittee needs to get together to finalize the tariff. Jay Smith tabled the item. Don Parmer seconded the motion. Motion passed unanimously.

Agenda Item 14: Discuss items for placement on next meeting agenda.

1. Communications
2. Pinewoods Ground Water rates
3. Tank Repairs – Pace Plant

Agenda Item 15: Adjourn. Jay Smith made a motion to adjourn. Danny Harkness seconded the motion. Motion passed unanimously. Meeting adjourned at 7:16 PM.

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Board President Signature

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Board Member Signature