

SOUTHWEST MILAM WATER SUPPLY CORPORATION
BOARD OF DIRECTORS MEETING
June 19, 2023

1. *Pledge of Allegiance*
Invocation led by Director, Bob Wilson
2. *President Called Meeting to Order 6:00 p.m.*
Present: Kit Worley, Thomas Nelson, Ricky Stewart, Bob Wilson, Gary Oslick, James Pesl, Larry Gilbreath, Mike Offield and Robert VonGonten
Absent:
3. *Public Comments. none*
4. *Approval of May 15th, 2023, minutes. Motion to accept the minutes made by Ricky Stewart, seconded by Bob Wilson – motion passed.*
5. *Profit & Loss Statement, Profit & Loss Year to Date Comparison, Profit & Loss Previous Year Comparison, and Profit & Loss Detail for May 2023. Reviewed and Discussed. Motion to accept made by Robert VonGonten, seconded by Ricky Stewart – motion passed.*
6. *Review Balance Sheet and Cash Flow Statement for May 2023. Reviewed and Discussed.*
7. *Review and Approve Corporations Investments. Reviewed and Discussed.*
8. *Review Director's Report and Past Due List for May 2023. Reviewed and Discussed.*
9. *Transfers & New Memberships. Reviewed and Discussed.*
10. *Discuss for Action: Request for placement on the agenda-Zach Hardy (FM 3242 leaks). Mr. and Mrs. Zach Hardy were present to discuss their concern with the number of leaks they have had in the 3 years they have lived there and also their concern about not being notified when an outage occurs. The Board reviewed the map of the area. The Hardy's expressed how they hope that in the near future that their concerns get resolved. It was discussed that FM 3242 is on the list of repairs and that when we get notified of a leak that the guys are on sight as soon as possible to fix the problem. Also informed Mr. and Mrs. Hardy that we do have a notification system in place and do utilize as much as we can. The Board discussed the need to prioritize this area.*
11. *Discuss for Action: Request for placement on agenda-Larry Laffere (trees). Mr. Larry Laffere and Mr. John Laffere were present. Mr. Larry Laffere discussed with the Board how the trees were originally damaged and the steps that were taken to resolve. He expressed how the action that was taken was not satisfactory or discussed with him prior to. He discussed the associated cost of replacing the trees and some fencing that is needed for his cattle. The Board briefly discussed and agreed to go into an Executive Session to further discuss. Entered into Executive Session at 7:10 p.m. and Reconvened at 7:44 p.m. Motion made to pay \$6,000.00 in the next 10 days by check for damages made by Ricky Stewart, seconded by Thomas Nelson – motion passed. Director Robert VonGonten abstained.*
12. *Discuss for Action: Bradley w/BEFCO-presentation for Rockdale & Sandoval plant upgrades. Bradley reviewed with the Board the summary page and estimates for the Rockdale & Sandoval plant upgrades. Further discussed the options. A committee was agreed to be formed and also that we may need to get the rate specialist involved to discuss fees and rates and to analyze the numbers on growth and revenue. The Board further discussed. Motion made to have Bradley go out & do the engineering for the \$1.9 million Rockdale project made by Ricky Stewart, seconded by James Pesl – motion passed.*
13. *Discuss for Action: Equipment-Bids & Disposal. Discussed the need to sell our 2011 trailer and replace our 2011 excavator. The trailer can be taken to auction. The excavator needs to be replaced due to ongoing mechanical issues. Discussed the estimate of a new excavator, lease options and trade in value. The Board agreed to defer the discussion of the excavator until next month. Motion made to send the trailer to auction in Heidenheimer made by James Pesl, seconded by Robert VonGonten – motion passed.*

14. *Discuss for Action: Lehman PUC complaint. Discussed settling by reimbursing the off-site fees that were paid by the Lehman's of \$2,362.50 to have the complaint dropped. Discussed the legal fees paid to date, the hearing timelines if not settled, the location of the off-site improvements that were made and our position on how we see the case ending. Motion made to offer \$2,362.50 as a settlement made by Robert VonGonten, seconded by Mike Offield – motion passed. Motion amended to credit the amount of off-site of \$2,362.50 to the impact fee payout on their account made by Ricky Stewart, seconded by Mike Offield – motion passed.*
15. *Discuss for Action: Employee review. The Board agreed to go into an Executive Session to further discuss. Entered into Executive Session at 9:23 p.m. and Reconvened at 9:51 p.m. The Board agreed to defer until next month.*
16. *Discuss for Action: Continued discussion for 4-day work week trial run. The Board agreed to defer until next month.*
17. *Discuss for Action: SLR pumping mitigation update. Still in progress.*
18. *Discuss for Action: Zapata Electric bid-electric for building at shop. Discussed the bid for labor and materials. Motion to accept made by Bob Wilson, seconded by Thomas Nelson – motion passed.*
19. *Manager's Report:*
 - *908 Plant Upgrades-The pump cans have been set, concrete has been poured, and pump assemblies are starting to go together. Survey crews took measurements to record GST settling, total settling was 3/8".*
 - *CoBank-Received new pin# from CoBank, Ricky to make first draw in the coming days for 12" pipe orders.*
 - *Capitalization policy-Handed out to Board for review to discuss for approval at next month's meeting.*
 - *SLR wholesale water contract-Contract is currently with the Board to review.*
 - *TCEQ Wastewater Inspection-Scheduled for June 28th for Birkhead and Anthis.*
20. *President's Report:*
21. *Discussion of any item to be included on next agenda. Meeting adjourned at 10:03 p.m.*

Ricky L Stewart

SECRETARY/TREASURER

7-17-23

DATE