

Lake Palo Pinto Area Water Supply Corporation

Regular Directors Meeting Minutes, October 12, 2020, at 5:00 PM

LPPVFD Station #1 Meeting Room, 7830 FM 2692, Gordon, TX 76453

The meeting was called to order by Bruce Rogers at 5:05 PM.

The Prayer was given by Laura Jones.

Roll Call of Directors was taken by Rick Best. Present were Bruce Rogers, Laura Jones, Karen Koonsman, Wayne Campaign, Rick Best, and Paul Coventry arrived at 5:19 p.m. Harry Romine was absent. Rick declared there was a quorum.

Our guest this evening was Paul Koonsman.

Approval of the minutes for August 10, 2020 accepted with revisions. Approval of the minutes of September 14, 2020 with the addition of Rick Best's name to the list of Board Members in attendance. Motion to accept was made by Rick and seconded by Bruce. The Motion Carried.

Financial Statements were submitted by Rueann Mowles.

Current Assets as of September 30, 2020

Checking/Savings

TWBD loan #2 Spec. Res. Acct.	69,643.32
Special 10 year Reserve Account	32,433.30
Contingency and Equipment (Santo)	79,336.87
Capital Improvement Accounts FNB Gordon	118,539.58
Ten Year Reserve Accounts, 10 Year Reserve	22,200.90
CD #1 10 Year Reserve	61,144.54
Total Ten Year Reserve Accounts	83,345.44
LPPA Checking Account	147,397.76
Total Checking and Savings	530,706.27
Total Current Assets	530,706.27
Liabilities and Equity	0.00

The Motion to approve the Financial Statements and authorize payment of expenditures was made by Laura and seconded by Rick. The Motion carried.

The Managers Report was given by Chase Lerma.

Water pumped this month	4,680,400 Gallons
Water sold this month	3,688,890 Gallons
Water used for Fire and Flushing Line	734,750 Gallons
Water Loss	256,760 Gallons
Water Loss (%)	5.49%
Total number of accounts	671
Average usage active members	5,531 Gallons
Average water charge for active meters	\$100.90
Total current charges	67,199.77
Total Receivables	74,207.27

Work orders were as follows:

Register replacements: 6, Meter Change outs: 7, New Meters: 2: Transfers: 0: Complaints: 2, Final reads: 1, Line locates: 0, Re-services: 0, Meter box change outs: 3, Total Work Orders: 21

Chase reported no activity on the Developers Agenda.

Nothing new in the Training Schedule this last month.

New members; Jeff and Nelda Stell

 Jimmy Kilgore

There were no Transfer of Membership, Disconnected Services or Re-services to report.

Motion to accept the Managers Report made by Rick and seconded by Wayne. The Motion carried.

A report and discussion followed by the Plant Infrastructure and Finance Committee. Bruce and Chase spoke about the funds available to our corporation. Our ranking among the other similar water corporations licensed in the state is quite high so we could probably qualify for what we ask for. The repayment of these funds affects our base water bill which some consider is already high. We have spent a lot on our physical plant and that is in good

shape now so we need to attend to some supply line improvements. The Budget Committee will work on this list this last quarter.

The Personnel Policy Review was given by Laura. Our Attorney has sent back version 4 which has many changes which are necessary for our type of business and the world we live in today. We had a good Board discussion involving spending limits and changes involved in switching to Direct Deposit. The few questions we have will go back to the attorney for review and the final document should be ready for Board approval next meeting.

Public Comments: Mr. Paul Koonsman spoke and said,” We have spent a lot of money for all this these plant improvements. I asked the engineer how much more these improvements would increase our capacity. He didn’t really give me a straight answer but said about 10% to 15% more capacity. I thought we would get a little better increase than that.” Chase gave a rundown on the difficult way the State of Texas calculates system capacity. The important numbers are that in a perfect world we could have about 915 connections and we have 671 now. Chase says he is not qualified to say whether the guy Paul spoke to was accurate but the engineer with the same firm that he is dealing with now is much easier to understand than the original engineer. Chase did not feel that lack of water capacity would be a problem in the near future.

The next Regular Directors Meeting will be on November 9, 2020 at 5:00 PM, at the LPPVFD Station #1 Meeting Room, 7830 FM 2692, Gordon, TX 76453

A Motion to adjourn the meeting at 6:50 PM was made by Bruce and seconded by Wayne. The motion carried and the meeting was adjourned.