

Lake Palo Pinto Water Area Water Supply Corporation

LPPAWSC Regular Meeting Minutes, May 10, 2021, at 5:00 PM

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

- 1) The meeting was called to order at 5:12 by Karen Koonsman.
- 2) The prayer was given by Harry Romine.
- 3) Roll call: Karen Koonsman, Laura Jones, Bruce Rogers, Wayne Campaign, Harry Romine were present, Paul Coventry arrived at 5:15 and Rick Best was absent. We had a quorum.
- 4) There were no guests present.
- 5) Approval of the April 12, 2021 regular meeting minutes. Harry Romine made a motion to accept the minutes as written. The motion was seconded by Wayne Campaign and passed.
- 6) Approval of the financial statements given by Jennifer Lewis. A few more items of minor scope have appeared in the accounting but with the exception of some deposits that may not have been credited to the correct account; no problems were found that cannot be handled. Chase and Jennifer are refining office procedures and making sure entries are cross referenced. Reports were presented for March and April.

As of March 31, 2021:

Checking/Savings

• FNB of Gordon Capital Improvement	150,657
• CD #1 10yr Reserve Account	61,145
• 10yr Reserve Account – other	22,486
• Total 10yr Reserve Accounts	83,631
• Cash Drawer	197
• Reserve Account for TWDB Loan #2	69,643
• Special Reserve Account – 10yr	32,443
• Contingency & Equipment (Santo)	71,077
• LPPA Checking Account	145,064
• Total Checking and Savings	552,712
• Total Assets	552,712
• Liabilities & Equity	0.00

As of April 30, 2021:

Checking/Savings

• FNB Gordon Capital Improvement	150,657
• CD #1 10yr Reserve Account	61,145
• 10yr Reserve Account – other	22,486
• Total 10yr Reserve Accounts	83,631
• Cash Drawer	197
• Reserve Account for TWDB Loan #2	69,643
• Special Reserve Account 10yr	32,443
• Contingency & Equipment (Santo)	71,084
• LPPA Checking Account	135,901
• Total Checking and Savings	543,556

• Total Current Assets	543,556
• Liabilities & Equity	0.00

The submitted check registers were reviewed and questions were answered. A motion was made by Laura Jones to accept the financial reports for March and April as presented. Bruce Rogers seconded the motion and it passed unanimously.

7) Managers Report by Chase Lerma:

Systems Report:

• Water Pumped this Month	3,187,100
• Water Sold this Month	2,389,940
• Water Used for Fire & Flushing	222,030
• Water Loss	575,130
• Water Loss (%)	18.05 %
• Total Number of Accounts	678
• Average Usage for Active Meters	3515
• Average Charge for Active Meters	90.22
• Total Current Charges	64,598.72
• Total Receivables	27,465.07

There were a total of 34 work orders in April as follows:

Register changeouts-9, Meter changeouts-12, New meters-0, Transfers/Final read-4, Low Pressure-0, Leaks-0, Water Quality Complaints-0, Line locates-3, Re-services-1, Meter box changeouts-0, Customer service inspection-0, Disconnects-2, Install check valve-1, Move meter-1, High usage inspection-0, for a total of 34.

We have approved plans for a line along South Lakeshore for A. Brown.

Training has been intense for Chase this month with Paul Coventry first and Jennifer Lewis taking a lot of his time. Thanks Chase. No other official training this month.

No new members this month.

Membership transfers:

- Littlejohn to Whinery
- McKinney to Hukel
- Owens to Lake Creek LLC; Stewart II

Disconnected service:

- Stover
- Surber

Reconnect services:

- Surber

Re-Services:

- Rutledge

A motion was made by Laura Jones and seconded by Wayne Campaign to accept the manager's report. The motion passed unanimously.

8) Discussion and consideration of the following:

a) Finance Committee to take a closer look at the TRWA model that James Smith showed us at a previous meeting. The committee will take a close look at where we stand. We have money in the bank to get started. Harry will call a budget workshop in June to report recommendations in July.

b) Personnel Committee discussed events of last month and welcomed Mrs. Jennifer Lewis to our organization.

c) The board entertained a motion to lower the Easement Filing Fee from \$125.00 to \$60.00 effective immediately as per Chase's recommendation. The motion was made by Bruce Rogers and seconded by Harry Romine and passed unanimously.

d) Updating other rates and fees was tabled to next month.

e) The Infrastructure Committee met this last month and made the following recommendations:

- The corporation records show a water loss rate that seems high. We know that the fire usage and flushing are necessary but we need to address the oldest and perhaps least accurate meters and move toward all digital meter reading. The recommendation is to get going on this goal. There are about 130 old meters which must be hand read now. We can buy 150 new meters for just under \$27,000.00 to replace all the old meters and have a few spares. The meters contain a battery and radio and should be checked and/or replaced after 10 years. We are presently using 8 to 12 per month for replacement and new customers.

Motion: Chase and Harry are authorized to purchase 150 new meters for a price not to exceed \$27,000.00 and the corporation will proceed to change out all the old meters. Bruce Rogers made a motion to approve this action and Wayne Campaign seconded it. The motion carried unanimously.

- Pay off one of our loans and be able to use the reserve funds for capital improvement.
- One of the two most deficient water line replacement projects could be started with the funds available on hand.
- Our large USDA loan might be re-financed at a lower rate.

9) There were no public comments.

10) Items to be included in next month's meeting:

- Budget Workshop progress
- Plant Infrastructure
- Rates & Fees
- Insurance Renewal
- Bank signatures review

11) A dumpster might be delivered on May 21 to pick up the trash at the plant. Any help loading this up would be appreciated.

12) A motion to adjourn the meeting was made by Wayne Campaign and seconded by Bruce Rogers. The motion passed and the meeting was adjourned at 7:15 PM.

Next month's meeting will be held on June 14, 2021 at 5:00 PM at the LPPVFD Station #1 Meeting Room, 7830 FM 2692, and Gordon, TX 76453.

Respectfully submitted,
Paul Coventry
Secretary/Treasurer LPPAWSC