

LAKE PALO PINTO AREA WATER SUPPLY CORPORATION
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As 2022 comes to an end and 2023 is ahead of us, LPPAWSC Board wishes each of you a very Happy New Year. Looking back, 2022 was another challenging year for the Corporation. Managing the water plant is a 24/7 operation by our employees to ensure that everything is functioning according to Texas Commission on Environmental Quality (TCEQ) specifications. Our employees continued to maintain and operate both the plant and system to provide uninterrupted service throughout 2022, with the exception of the winter storms that froze our lines. Employees, Chase Lerma and James Storms worked around the clock throughout a very difficult time to get our water back on line. The board has added insulating the pipes to our list of projects. I am happy to announce that, once again, there was no time lost to accidents during 2022.

Most of the recent plant upgrades gave the processing plant an increased capacity to produce the quality and quantity of water required by state regulations for the next 15 to 20 years in order to accommodate the anticipated population growth in our area. This past year has been busy with many meter transfers due to property sales, subdivision developments and completing meter change outs. In most cases, the subdivisions, that have required line upgrades, have been at the expense of the landowner-developer. The Plant Infrastructure Committee along with our engineers, Enprotec Hibbs and Todd, have assessed existing areas that are in need of line upgrades. The grants (via our county) that we had hoped to aid with the cost of line upgrades, did not come through. However, we still anticipate beginning line upgrades in the next few months using capital improvement funds.

Our Plant Manager/Operator, Chase Lerma, has done a great job for you this past year continuing to make good water, managing the plant, and also saving money by researching better solutions to problems that arise. James Storms, a Water Operator, completed his Class C license and is currently working towards his Class B license. The Office Manager, Krisenda Kilgore has improved the payment system and integrated the billing and payment system to help update the account balances more frequently.

This year, there are two places on the board up for election. Applications have been turned in by incumbents Rick Best (Place 2), Bruce Rogers (Place 3) and new candidate Mike Foltz (Place 3).

TCEQ requires a 0.5% charge for Regulatory Assessment for each customer and the corporation began including that charge this last year. More information can be found at: https://www.tceq.texas.gov/assets/public/comm_exec/pubs/rg/rg-199.pdf

I would like to assure you that the finances of your LPPAWSC are in good condition, with funds earmarked for both expected and unforeseen expenses. All bills are paid and all loans are current as per agreements with government lending agencies. Our auditing firm is Boucher Morgan & Young.

Each year the Board performs a careful review of our finances as part of preparing the budget for the upcoming year. In 2020, we had an increase of 13.4% in the cost of buying raw water from Palo Pinto Municipal Water District #1, the owners of Lake Palo Pinto. This increase forced the board to increase the base rate by 8% and the consumption rate by 2% - 7% in 2021. For 2022, the Board has decided not to increase the base rate or the consumption rate at this time.

The 2023 rates will be as follows:

Base Rate (5/8" to 3/4" meter): \$66.23

Consumption Rate:

0 - 10,000 gallons	\$5.88 per 1000
10,001 - 20,000 gallons	\$8.35 per 1000
20,001 - 30,000 gallons	\$10.10 per 1000
30,001 - 40,000 gallons	\$11.72 per 1000
40,001 - 50,000 gallons	\$13.55 per 1000
Over 50,001 gallons	\$15.17 per 1000

All of the above items will be addressed at the annual stockholders meeting on Saturday, March 12, 2022, 10:30 AM at the Lone Camp Community Center. We look forward to seeing you there. There is plenty of room to social distance but please feel free to wear a mask.

Karen Koonsman

Karen Koonsman, President
LPPAWSC Board of Directors