

Minutes of Meeting – Regular Meeting of Directors

Parker Water Supply Corporation

October 21, 2021

On the 21st day of October 2021, the Board of Directors of Parker Water Supply Corporation ("Corporation") held a Regular Meeting at the office of the Corporation at 7001 C.R. 1200; Cleburne, Texas with the following Directors present:

Harry Shaffer, President
Brent Harris, Vice President
Janice Linville

Stan McVey, Secretary/Treasurer
Jack Repenning
Sherry Reeves, General Manager

Harry Shaffer, President called the Regular meeting to order at 7:00PM. A quorum was present. Also in attendance were Ramona Taff, Frank Stegient, and Brad Hammond. Guest Ramona Taff spoke to the Board regarding the loss of water due to someone had turned the water on and let it run and was not found until they were mowing in the back pasture. They have not ever used water at this location, however have the line in case they decided to use it. They have since locked the meter so no one could turn it on. Brad Hammond spoke to the Board regarding the change of hours for him.

Consent Agenda

Board Member Jack Repenning made a motion, seconded by Brent Harris to accept the minutes for the September 16, 2021 meeting and the September Treasury Report. Harry Shaffer, Brent Harris, Janice Linville, Stan McVey and Jack Repenning voted with all ayes. Motion passed.

Regular Agenda

Item 1 Dealt with upgrades to the well sites including installing VFD'S to the booster pump at plant 3, and monitoring devises for the wells with Wallace Electric. No action was taken.

Item 2 Dealt with the renewal of employee health insurance for 2022 with TML Health Benefits. Motion was made by Board Member Stan McVey, second by Brent Harris to renew employee health insurance with TML. Harry Shaffer, Brent Harris, Stan McVey, Janice Linville and Jack Repenning all voted ayes. Motion passed.

Item 3 Dealt with the request for forgiveness of an excessively high-water bill due to unauthorized or unknown turned the water on and no one lives at the property. Motion was made by Board Member Jack Repenning, second by Brent Harris to adjust the bill to a total of \$5015.28. This is a onetime offer due to vandalism and not a leak adjustment and will not be given again on any other of this customers' accounts. Board advised to put a lock on the meter to help with vandalism. Harry Shaffer, Brent Harris, Stan McVey, Janice Linville and Jack Repenning all voted ayes. Motion passed.

Item 4 Dealt with the cost of an electrical evaluation at each plant for the Emergency Prepared Plan (EPP) required by TCEQ to be done by Jacob Martin's Electrical Engineer at a cost not to exceed \$10,000 for all 4 plants. Item was tabled.

Item 5 Dealt with the cost to add GIS mapping to our Master Plan with Childress Engineers for a cost between \$10K-\$12K range. No action was taken.

Item 6 Dealt with the adding a meter in our shared CCN with JCSUD for Beverly Patman at 1551 E FM 916. Motion was made by Janice Linville, seconded by Jack Repenning to allow one (1) meter to be installed on this piece of property that is being divided from an original 19-acre tract to a 3-acre tract. Harry Shaffer, Brent Harris, Jack Repenning, Stan McVey and Janice Linville voted with all ayes. Motion passed.

Item 7 Dealt with upsizing the 3" water line along CR 1107A from the intersection with CR 1107B to Hull Road to an 8" line for approximately 3000 feet. Item Tabled until the Master Plan is completed.

Item 8 Dealt with compensation for Board of Directors. Motion was made by Brent Harris, seconded by Stan McVey to compensate all Board Members \$50.00 each month for attending Board of Directors meetings. Harry Shaffer, Brent Harris, Jack Repenning, Stan McVey and Janice Linville voted with all ayes. Motion passed.

Item 9 Dealt with purchasing additional registers for the auto reader meters. Motion was made by Janice Linville, seconded by Jack Repenning to purchase the registers from Wylie SUD and East Fork SUD. Harry Shaffer, Brent Harris, Jack Repenning, Stan McVey and Janice Linville voted with all ayes. Motion passed.

Item 10 Dealt with updates from TRWA Technical Assistance by Larry Bell. No action was taken.

Item 11 Dealt with appointment of members to the Credentials Committee for the 2022 Board of Directors Election. No action was taken.

Item 12 Dealt with a bid by Luna's Welding to enclose three (3) sides to the area where the lawnmower and weed eaters are located for \$3,600.00. No action was taken at this time.

Item 13 Dealt with the General Managers Report covering September 2021. In September we had a total of \$5075.02 Credit card customers in house and PWSC paid \$224.81 in fees. We had \$ 29,782.15 come through the online system and the fees paid by customers was \$1,231.12. CareFlite customers for September was \$362.00. The Directors report would show a big loss this month as one customer, that does not live on the property had a major water loss (948,400 gallons). I did call her and talk to her regarding an adjustment (which they have done on other accounts) and to send the plumbers statement if they want an adjustment. Of course, we can do a payout for them as the bill is \$10,614.37. They are asking for PWSC to forgive the bill as they said an unauthorized/unknown person turned the water on. By using a read date of the 20th, the loss ratio is lower. The laptop was used for the digital meter readings this month. I did contact Cory with Master Meters and he is going to pick up the 130 registers we are purchasing from Wylie NE. Also, there are still meters that did not read this month with the laptop and I have asked that those be checked to see if they are working. After getting pricing on tires for the generator trailer with Wright Tires, Larry and Harry met with an electrician, and decided to wait on the tires until we see if the generator will be left at the Plant 3 location. As requested by the Board I did work orders for Brad to change out the 1" meters for customers that

wanted to be swapped to a 5/8". They are being done on his invoices after hours not on company time. I, Sherry Reeves General Manager have submitted work orders to have these meters swapped out during PWSC work hours. These meters should not be swapped after hours unless they have approval by the General Manager. He did need more reducer bushings and we have ordered them. Just waiting on them to be received. The Vacuum Regulator Model 481 Chlorine regulator was received and Larry is going to/or will have Brad to help him install it at Plant 4. I have completed most of the Emergency Prepared Plan for TCEQ and Sarah Fernandez with Jacob Martin is helping with the information I was not sure of. We have reached out to Eddie and the members at Jacob Martin regarding the electric portion to see how Parker is or needs to be set up for an emergency. I asked Larry to check the generator for the amount of fuel it has, the last time the fuel filter was changed (4/23/20), oil change (9/5/20), fuel is about 7/8 full. He also said there is a new oil filter on site, however he could not find a date on the air filter but seems like it was probably changed around the same time as the other filters. He asked how long the fuel would be good and was told a couple years. Larry asked someone about doing a Load test and said it only needs to be done like once a year and that we could buy the tester and do it ourselves but the cost is a few hundred dollars. I have done some checking on the propane generators, which Harry suggested might be good to have one here at the office in case we needed one here. They actually have them at Home Depot, Harbor Freight at a wide range of prices. We have received the letter regarding the cost of raw water from Files Valley. There will be a slight increase on the purchase price from 6.04 to 6.08. Dwayne has completed the road bores and 5 meter sets for the Morgan Wagon Wheel Est. project that was approved several months ago. It was a while before the monies were paid for the project, then with COVID, parts were on back order. We are now seeing that project completed and they are selling lots. Larry has spoken with one of the people he works with at Benbrook regarding working on getting the well readings on Sunday. He is a Class A Operator. Larry told him it would take him 2 hours to read the wells (that includes checking the chlorine levels and that the wells are running well). Larry said the person told him that he would charge a total time of 4 hours and \$100.00 (\$25.00 per hour). I told Larry I would mention it at the next Board meeting and see what the pleasure of the Board is. We also have a customer on PWSC and he is a Class B license holder (Roy Davis), he is also a licensed Inspector and he is interested in doing the inspections for PWSC. I had also mentioned the possibility of him reading and checking the wells on the weekend when Larry is off. Larry wants to work on Saturday and have Sunday and one day off during the week and not work M-F. I had Lonestar Maintenance come out and check the scales to see if they were working correctly. Lonestar came and examined all the plants and said the scales are working correctly. However, we used to have regulators that were set up so that when one bottle of chlorine ran out, it automatically swapped over to a full bottle. These are missing so he gave me a quote to get all 4 plants set back up. If the Board would like to get this scheduled I will call and get it set up. I have attached a copy of the quote and the price is \$8,319.00. Motion was made by Jack Repenning, seconded by Janice Linville to accept the General Managers Report. Harry Shaffer, Brent Harris, Jack Repenning, Stan McVey and Janice Linville voted with all ayes. Motion passed.

Item 14 Dealt with the renewal of CD at Grandview Bank that expires on October 23, 2021. Motion was made by Janice Linville, seconded by Jack Repenning to renew the CD at Grandview Bank at the current rate of .30 for 12 months. Harry Shaffer, Brent Harris, Jack Repenning, Stan McVey and Janice Linville voted with all ayes. Motion passed.

Item 15 Dealt with Christmas Holiday hours. Motion was made by Stan McVey, seconded by Jack Repenning to have the office closed for Christmas holiday on Friday, December 24th through Monday, December 27th. Harry Shaffer, Brent Harris, Jack Repenning, Stan McVey and Janice Linville voted with all ayes. Motion passed.

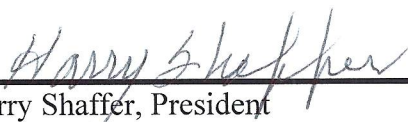
Item 16 Closed Session under provisions of Texas Government Code Section 551.074 (Personnel Matters) regarding changing the hours of the field employees to 8am-5pm during the spring, fall and winter months and 6:30 am – 2:30- pm and one employee 8 am-5 pm during the summer months to insure coverage for customer's needs. Hiring a part time person to do inspections and well readings. Board entered into Executive Session at 10:04 pm and returned to Open Session at 10:45 pm.

Item 17 Dealt with changing the hours to 8am-5pm during the spring, fall and winter months and 6:30 am to 2:30 pm during the summer months with one employee scheduled 8am – 5Pm. Motion was made by Board Member Janice Linville to have all full-time employees work 8-5. Motion died for lack of a second. Motion was made by Stan McVey, seconded by Janice Linville to have one full time employee work 9-5 with no lunch break and one full time employee to work 8-5 with a lunch break beginning November 1, 2021. Jack Repenning, Stan McVey and Janice Linville vote ayes. Harry Shaffer and Brent Harris voted nay. Motion passed 3 ayes and 2 nays.

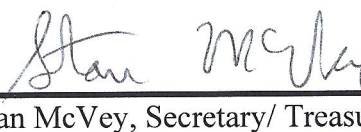
Item 18 Dealt with hiring a part time person to do inspections and read wells. Motion was made by Stan McVey, seconded by Brent Harris to hire Roy Davis as a CSI inspector (\$75.00 each) and parttime Operator at \$22.00 per hour. Harry Shaffer, Brent Harris, Jack Repenning, Stan McVey and Janice Linville voted with all ayes. Motion passed.

Item 19 dealt with request to be placed on the agenda for the next Board meeting. The next Board meeting will be November 18, 2021 at 7PM. Board Member Shaffer wants to have regulators for wells on the next agenda and the Christmas plans. No action needed.

Item 20 There being no further business to consider, Board Member Brent Harris made a motion, seconded by Jack Repenning to adjourn at 10:55 P.M. Motion passed: All Ayes.



Harry Shaffer, President



Stan McVey, Secretary/ Treasurer