

Minutes of Meeting – Regular Meeting of Directors

Parker Water Supply Corporation

May 20, 2021

On the 20th day of May 2021, the Board of Directors of Parker Water Supply Corporation ("Corporation") held a Workshop and 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
Stan McVey, Secretary/Treasurer

Jack Repenning
Janice Linville
Sherry Reeves, Office Manager

Guest: Eddie Aguilar, Danny Armstrong, and Clay Freelen

The workshop was called to order at 6:00 p.m. by Harry Shaffer, President. Regular meeting began at 7:00PM. A quorum was present.

Workshop

Eddie Aguilar Engineer with Jacob Martin Engineers spoke with the Board of Directors regarding the capacity limits and what might need to be done to upgrade Parker WSC water lines for future growth.

Consent Agenda

Board Member Jack Repenning made a motion, seconded by Brent Harris to accept the April 15, 2021 Minutes and the April Treasury Report as presented. Brent Harris, Harry Shaffer, Stan McVey and Janice Linville voted with all ayes. Motion passed.

Regular Agenda

Item 1 Dealt with updates from the Engineering firm. Discussion was held regarding where, if needed, to drill a well. Step 1 water supply issue is pending for a few months, Step 2 contact whoever did the well rehab and see if they did a pump test to see what the draw down is, Step 3, Harry will call Files Valley to see if in the wholesale agreement there is any room to increase our demand. We are waiting on the ACR to see if our numbers have changed. Motion was made by Board Member Jack Repenning, second by Brent Harris to approve the recommendations from Jacob Martin on the existing line once the ACR report comes back from TCEQ. Brent Harris, Stan McVey, Janice Linville. Jack Repenning, and Harry Shaffer all voted ayes. Motion passed.

Item 2 Dealt with Non-Standard Subdivision for Ryon Emerton for 14 residential meters on CR 1200 & CR 1100. Motion was made by Board Member Jack Repenning, second by Stan McVey to give the President of the Board authority to contact Files Valley Water Supply for additional supply capacity for the 14 residential meters for Ryon Emerton on CR 1200. The feasibility study was passed in February on this project for Mr. Emerton. President Shaffer will check with Files Valley to see if they are able to give us additional supply. Brent Harris, Stan McVey, Janice Linville, Jack Repenning, and Harry Shaffer all voted with ayes. Motion passed.

Item 3 Dealt with Non-Standard Subdivision for Clay Freelen for 300 residential meters. A request for 25 residential meters since the 300 meters was not approved by the feasibility study on Hwy 171 & CR 1413. Engineer Aguilar explained the reason the hydraulic study shows that if the meters are added the peak demand pressure notes drops below 35psi, that it is negatively affecting the system. The storage capacity is something else that must be looked at. We have 4 pressure plans and we must have a certain amount of ground storage with a certain volume for the pressure tanks and a certain GPM so the high-pressure tanks can supply the correct flow per connection. Pump Station 3, Parker WSC is very near capacity according to TCEQ requirements which will require upsizing the lines, so the pressure does not drop. The main concerns are the pressure, storage, and supply to add these meters in this pressure plan. Engineer Aguilar will do a cost estimate for Mr. Freelen for 300 meters. Mr. Freelen shared with the Board his plan for ½ acre tracts is a company that does mini wastewater treatment plants that treat the wastewater and discharge it into a creek. Mr. Freelen said that if the cost for the water upgrade doesn't make sense, then he will cut the land into larger lots and let the owner build their own wells on it. This will possibly be done in 2 Phases. A portion of the property is located in Hill and a portion is in Johnson County. Motion was made by Board Member Jack Repenning, second by Janice Linville to decline approval until a cost analysis is done and accepted by Clay Freelen. Brent Harris, Harry Shaffer, Jack Repenning, Stan McVey and Janice Linville voted with all ayes. Motion passed.

Item 4 Dealt with the Office Manager's Report. In April we had a total of \$6,442.65 Credit card customers in house. We had online system \$24,240.26 customers pay online. CareFlite customers for April was 431. PWSC has a CD at Pinnacle Bank that matures June 11, 2021 with \$62,380.65 at an interest rate of 0.25%. Our next meeting is not until June 17th do we want to let it roll over? I reported our claim on Plant #1 to the insurance company and the original bill was \$4,086.44 and with our deductible of \$2,500 we will be receiving a check for \$1586.44 within the next week to go back into the fund. I spoke with Janice Root and asked her if she would be interested in being on the Credentials Committee for the election next year if we have an election and she said she would be glad to help. We have had 5 applications for the Operations Manager position. I have posted the position on the TML website Wednesday and that is why I have 5 instead of the 1 I had originally stated in my report. I have also reached out to TCC and spoke with the professor of the Water/Wastewater program and she advised that graduation was being held yesterday and they have 13 graduates in the class and she would forward my contact information to them so they could forward their resumes or get an application. She stated she would also reach out to others that might be interested as well. Harry and I were talking about the CSI that we charge new customers for (\$75.00) that Brad went to school for, and the past General Manager had reached out to 2 people that work for JCSUD that hold that license and they said they would do them, however, they never have that I am aware of, at least we have never received a bill. We have as of yesterday a total of 47 new builds that have been attached to our water system without inspection. We did not charge the customer for several years since we did not have anyone licensed to do these inspections. Once we thought we were going to have someone we started to charge. We also need Backflow inspections done every year; however, I am not sure that we can find out who has sprinkler systems and pools. We are finding a few people that have attached an RV or moved in a trailer or even built a second house behind another one without getting a second meter. I am sending letters to these as Brad brings them to my attention. I used a company called Bureau Veritas and I am friends with someone that lives in Rio that is getting ready to retire that might be

interested in doing the CSI for us. I was able to order us the yard signs like political person use for our Boil Water Notice through Cleburne Signs for \$150.00 for 10 18"x24" signs which are in English and Spanish and on both sides and have the resend notice as well. I contacted Pete from JCSUD and spoke with him and Dany regarding trucks. They gave me the name of the fleet dealer they use, and the prices were still about the same as what I was getting from local dealers. JCSUD did say that when they get ready to change their trucks out, they will give me a call so I can let the Board know. Since we have a new Secretary/Treasurer and my promotion to Office Manager I have found a virtual Public Funds Investment Act training through Texas Rural Water Association. The cost of the class is \$150 each since we are members. Mine will be a renewal if they count my training from a about 3-4 years ago. So, if they will, I will only have to do a 1-day class from 9-4 if I have to do the full-blown training again it will be a full day and a half day. I can certainly take it online here at the office and might could work it so that Stan and I can do it at the same time. After Lisa being on staff now for a couple months, she will now be going to 9-1 M-F unless she needs a day off. We have streamlined lined the office so much that things run rather smoothly. There is a lot of down time (leaving too much time for internet surfing) She knows how to open and close the office, take payments, close the days business, print the bills and second notices, and has pretty well picked up on what paperwork we need to transfer business. If we require a second person, it makes more sense to have her here M-F just to help cover lunch (Brad did that some for Marilyn before I came on board working 9-1) will allow me to take lunch each day. We do seem to be working through some issues. Motion made by Brent Harris and Stan McVey Second the motion to accept the Office Manager's Report as presented. Brent Harris, Harry Shaffer, Jack Repenning, Stan McVey and Janice Linville voted with all ayes. Motion passed.

Item 5 Dealt with the payoff amount on the CoBank Loan. Discussion was made that we should have a Financial Advisor to look over the agreement to see if we need consider paying off the loan since interest rates are very low at this time. Office Manager Reeves is to send a copy of the contracts to Jack Repenning and Brent Harris. Motion made by Brent Harris and Stan McVey Second the motion to put back on the next agenda. Brent Harris, Harry Shaffer, Jack Repenning, Stan McVey and Janice Linville voted with all ayes. Motion passed.

Item 6 Dealt with the rate increase letters to Parker WSC members. The Board discussed the last rate increase was in 2013. Motion was made by Janice Linville and Stan McVey second the motion to send the rate increase letters out accepting the rate increase letters. Brent Harris, Harry Shaffer, Jack Repenning, Stan McVey and Janice Linville voted with all ayes. Motion passed.

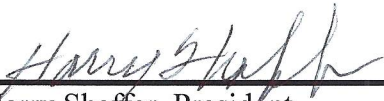
Item 7 Dealt with Article XV of the By Laws. This item is for information purposes. We have had customers asking if Parker WSC is going to dissolve and become part of Johnson County Special Utilities District and if so does the Members vote or is it a vote by The Board of Directors. I reached out to the Legal Department at TRWA and asked so we would all be clear on the answer. The answer is the Board of Directors has the deciding vote. No vote was needed.

Item 8 Dealt with compensation for Board of Directors. Per the legal department of TRWA they do not recommend compensation for Board of Directors. No action was taken.

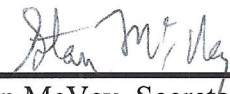
Item 9 Dealt with updates to the Tariff. Due the length of the meeting, the Board decided to continue at the next meeting. No action taken.

Item 10 dealt with request to be placed on the agenda for the next Board meeting. Annual meeting will be June 17, 2021 at 7PM. No action needed.

Item 11 There being no further business to consider, Board Member Janice Linville made a motion, seconded by Jack Repenning to adjourn at 9:18 P.M. Motion passed: All Ayes.



Harry Shaffer, President



Stan McVey, Secretary/ Treasurer