

## **Minutes of Meeting – Regular Meeting of Directors**

### **Parker Water Supply Corporation**

**January 21, 2021**

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On the 21<sup>st</sup> day of January, 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

James Lyles, General Manager  
Sherry Reeves  
Marilyn Duncan, Office Manager  
Don Rice- Absent

Guest present- Jack Repenning

The meeting was called to order at 7:00 p.m. by Harry Shaffer, President.

#### **Consent Agenda**

Board Member Stan McVey made a motion, seconded by Janice Linville to accept the December 17, 2020 Minutes with corrections and December 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 the Office Manager's Report. We paid 536 customers that paid CareFlite. We sent a check in the amount of \$536.00 to CareFlite for December. With credit card on line in December we took in \$19,924.35 and in Office credit cards, we took in \$4,321.80. The fee for using Credit Cards in house was \$164.72. The Board decided at the November meeting to renew CD# 3346994606 at Pinnacle Bank at the rate of 0.25% for 12 months. Marilyn announced that she will retire on January 29, 2021. Marilyn asked that her named be removed from all C.D.'s, checking account, savings accounts, company credit card with Pinnacle Bank, and any other financial documents. She also recommended that General Manager, James Lyles be authorized to have a Company Visa Credit Card. Motion made by Stan McVey and Janice Linville Second the motion to accept the Office Manager's Report as presented. Brent Harris, Harry Shaffer, Stan McVey and Janice Linville voted with all ayes. Motion passed.

Item 2 Dealt with the General Manager's Report. James Lyles gave a report. Parker Water made 32 new connection to the system in 2020 from Jan thru December 12 of these connections are Non-Standard service agreement accounts. 20 were Standard Service agreements accounts. Parker Water Corp Experienced 23 leaks on the system some of which were major and parts of the system had to be isolated in order to make repairs and others were smaller leaks that didn't require immediate attention but did need to be repaired. Parker Water Corp has 32 existing dead end flush valves that need to be flushed monthly to assure good quality of drinking water along with flushing when a repair has been made to evacuate all air that can become trapped in the lines along with settlement that can be introduced into broken lines. Each month approximately 3200 gallons will be flushed out of the system and annually that can amount to 38,400.00 gallons of lost water. I flushed for the month of



December 2020 approximately 2500 gallons. Dwayne Duncan was paid a total of \$40,210.00 for the leak repair and completing service connections for Parker Water Corp. The annual storage tank inspections are required by the Texas Commission on Environmental Quality and Parker Water Corp will expire in March of 2021. I have already submitted all paper work and a date to perform these inspections will be set in a few weeks. Disinfectant level quarterly operating report for the fourth quarter of 2020 was successfully submitted on January 5 2021. Dead line was January 10 2021. These levels are chlorine levels that are collected daily from October 1 thru December 31 and then compiled as Max readings, Min readings and averages and then submitted for review. Each surface water meter or meters will be calibrated annually per TCEQ. Parker Water Corp meter calibration was due to expire on 2/13/21. We completed our calibration on all surface water meters 1/13/21. Well meters are required to be calibrated every three years. All work was performed by KW utilities. Parker Water Corp has had many calls from 811 on doing locates for work that may be performed by trenching or excavating the ground and possibly coming into contact with our water lines. So please if you see fence work being done or see workers in our service area on the sides of road please call. Parker Water Corp system is at 98.6 % and plans need to be put into place for future growth, in your packet you will see an agreement for professional services from our engineers Jacob Martin with a quote to assist in completing an Alternative Capacity requirement. The ACR will help Parker Water Corp in the first stage of being able to meet our capacity requirements set by the TCEQ. Parker Water Corp for the month of December processed 2,488,540 Gallons of surface water and pumped 2,516,560 gallons of well water for a total pumpage of 5,005,100 and sold 4,747,600 gallons for a total water loss of 5.15%. We have started installing the electronic meters in the distribution and will continue at a faster pace in the upcoming weeks. Software for the system should be in soon all progress was delayed with the outbreak of COVID19. I have set up training for me and Brad in March 12 2021 to be trained on the software. Brad Hammond D water certification will expire on March 1 2021. We have sent in all necessary forms and paid in the amount of \$111.00 to have them renewed. Election time again and we will have a lot of deadlines to meet Sherry will be busy making sure all notices and publication requirements are met according to TRWA guide lines. Motion made by Brent Harris and Janice Linville Second the motion to accept the General Manager's Report as presented. Brent Harris, Harry Shaffer, Stan McVey and Janice Linville voted with all ayes. Motion passed.

Item 3 Dealt with reappointing the Credential Committee Members for 2021 due to the absence of Board Member Rice. Motion was made by Brent Harris and Stan McVey second the motion to appoint Janice Linville to serve on the Credential Committee for the 2021 Election. Brent Harris, Harry Shaffer, Stan McVey and Janice Linville voted with all ayes. Motion passed.

Item 4 Dealt with adoption of Resolution setting the date and time for the Annual Members Meeting as April 17, 2021. Motion made by Stan McVey and Brent Harris Second the motion to adopt the Resolution setting the date and time of the annual Members meeting for April 17, 2021. Brent Harris, Harry Shaffer, Stan McVey and Janice Linville voted with all ayes. Motion passed.

Item 5 Dealt with adopting resolution for approving Ballot form, Application Form, and Election Procedures for the Annual Members meeting to be held April 17, 2021. Motion made by Stan McVey and Janice Linville Second the motion to adopt the Resolution approving Ballot Form, Application Form and Election Procedures for the Annual Members meeting. Brent Harris, Harry Shaffer, Stan McVey and Janice Linville voted with all ayes. Motion passed.

Item 6 Dealt with the letter to be sent to Members to submit an application for a place on the ballot for the 2021 Election. Motion made by Brent Harris and Janice Linville Second the motion to approve the letter to send to Members to submit an application for a place on the ballot. Brent Harris, Harry Shaffer, Stan McVey and Janice Linville voted with all ayes. Motion passed.



Item 7 Dealt with voting on the notice to be placed in the news paper and on the website for announcing the election for 2021. Motion was made by Janice Linville and seconded by Brent Harris to place the notice in the Cleburne Times Review and the Hillsboro Reporter and the Corporation website. Brent Harris, Harry Shaffer, Stan McVey and Janice Linville voted with all ayes. Motion passed.

Item 8 Dealt with selection of an Independent Election Auditor and Assistant Election Auditor for the election of the Board of Directors, April 17, 2021. Motion was made by Stan McVey, seconded by Janice Linville to accept Brenda Marbut as Election Auditor and Tammy Prater as Assistant Election Auditor for the April 17, 2021 Election. Brent Harris, Harry Shaffer, Stan McVey and Janice Linville voted with all ayes. Motion passed.

Item 9 Dealt with the engagement letter from Gillam Wharram CPA firm for Audit purposes for the 2020. Motion was made by Janice Linville, seconded by Stan McVey to accept the engagement letter from Gilliam Wharram CPA Firm to conduct the Audit for PWSC for 2020. Brent Harris, Harry Shaffer, Stan McVey and Janice Linville voted with all ayes. Motion passed.

Item 10 Dealt with amending the Personnel Policy Section 5.02 Pay: All Corporation employees are paid bi-weekly. Checks/ACH are issued on every other Friday. Time begins on Thursday of the week and ends on Wednesday. Direct deposits are deposited on Friday of the week ending payroll. Timesheets are due to payroll by 10:00 a.m. on Thursday morning of payroll for the prior two (2) weeks. Motion was made by Janice Linville, seconded by Stan McVey to amend the Personnel Policy to reflect payroll be changed from Semi-monthly to bi-weekly. Brent Harris, Harry Shaffer, Stan McVey and Janice Linville voted with all ayes. Motion passed.

Item 11 Dealt with discussion regarding future water Rate increase. At the regular Parker Water Supply Corporation Board Meeting on January 21, 2021, the Board reviewed and considered several options for a rate increase. The Board has worked diligently to avoid a rate increase and has been successful since June 2013. With the continual increase on the cost of purchased water from Files Valley, where PWSC purchases water, of nearly 18%, along with increases in material, fuel, insurance and other operating expenses, it is no longer possible to operate and maintain the system under the current rates and fees. At the end of 2020 PWSC was in the negative by \$54,000.00 on the financial statement. Each tier price will increase by .50. Motion was made by Janice Linville, seconded by Brent Harris to raise the monthly minimum rate from \$33.00 to \$36.00. Brent Harris, Harry Shaffer, Stan McVey and Janice Linville voted with all ayes. Motion passed.

Item 12 Dealt with Agreement for Professional Services with Jacob Martin for Alternative Capacity Requirement (ACR) for a fee not to exceed \$5,000.00. Motion was made by Brent Harris, seconded by Janice Linville Brent Harris, Harry Shaffer, Stan McVey and Janice Linville voted with all ayes. Motion passed.

Item 13 Dealt with the renewal of CD #616OUTU4 at Edward Jones. Motion was made by Stan McVey, seconded by Brent Harris to renew CD #616OUTU4 with Edward Jones. Brent Harris, Harry Shaffer, Stan McVey and Janice Linville voted with all ayes. Motion passed.

Item 14 Dealt with adopting job descriptions for employees. Motion was made by Stan McVey, seconded by Brent Harris to adopt job descriptions for all PWSC employees. Brent Harris, Harry Shaffer, Stan McVey and Janice Linville voted with all ayes. Motion passed.

Item 15 Dealt with audio system for the Meeting Room. Motion was made by Janice Linville, seconded by Brent Harris to accept the bid from JNOC for \$2,102.23 for 8 Microphones, 12 Channel Professional Audio Mixer, SD Card, cables, Headphones, Studio Monitor and installation. Brent Harris, Harry Shaffer, Stan McVey and Janice Linville voted with all ayes. Motion passed.

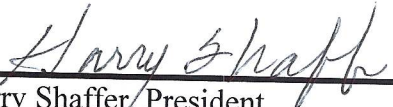
Item 16 Dealt with adding additional signatures to the checking account. Motion was made by Brent Harris, seconded by Stan McVey to add additional signers: Sherry Reeves- Office Manager, Brent Harris-Vice President, and Stan McVey-Board of Director and remove Marilyn Duncan on the Pinnacle Bank checking account. Brent Harris, Harry Shaffer, Stan McVey and Janice Linville voted with all ayes. Motion passed.

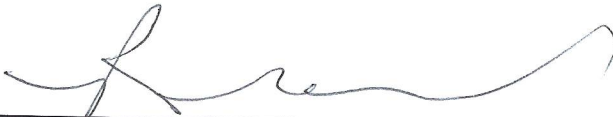
Item 17 Dealt with Closed Session under provisions of Texas Government Code Section 551.074 (Personnel Matters). Board went into closed session at 9:31 P.M. and back into regular session at 9:55 regarding retirement of Office Manager.

Item 18 Dealt with any recommendations of Personnel Matters resulting from Executive Session regarding retirement of Office Manager. Motion made by Stan McVey, seconded by Brent Harris to accept the retirement of Marilyn Duncan. Brent Harris, Harry Shaffer, 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. Board Members Linville asked if we could have a YTD and Monthly report on profit and loss. No action needed.

Item 20 There being no further business to consider, Board Member Brent Harris made a motion, seconded by Stan McVey, to adjourn at 9:58 P.M. Motion passed: All Ayes.

  
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Harry Shaffer, President

  
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Brent Harris, Vice President