

Medina Water Supply Corp
Minutes of Board of Directors Meeting on 02/09/2026
at Medina Community Center

Meeting called to order at 6:14 pm by Board President Dan Poston.

Directors

Dan Poston

Roger Mora

Charles Anderson

David Reed

Mike Guidry

Jon Miller

Kevin Ayers - Contractor

Emerson Arnold - Operator

From the community:

Bob Buck

Jason Smith

There is a quorum present.

Reading of Previous Meeting minutes

Dan polled the directors to see if they had had a chance to review the previous minutes. The board indicated that there were no questions. Jon Miller moved to accept the minutes as published. This motion was seconded by Mike Guidry and carried with 6 positive votes.

Public Comments (5 minutes per speaker)

Dan Poston recognized Bob Buck and asked if he had any public comments. Bob declined.

Treasurer's Report

Mike Guidry sent out the report ahead of time. See included reports February 2026.

Mike reported a Total income of \$21,057.30, and expenses of \$19,460 so we are in the black \$1,596 for the month. This is also the year to date, because this report covers 1/1/26 – 1/31/26.

Kevin Ayers added that this includes two invoices from RGB totalling \$8,012 for the repair work at Orchard Park. Kevin highlighted a shipment of dirt purchased for repairs for \$190.03. On 1/2/26 there was a transfer of \$567.12, this is the annual matching for our membership fund. A new truck battery was purchased for \$262.62. Also, this month was an expenditure of \$1000 for the TCEQ regulatory assessment fee. This was an expected annual expenditure. Another unusual purchase this month was 8 gallons of Chlorine bleach, purchased at Family Dollar for \$41.08 for the tank. The entry for Kerr Pump was two invoices as well, \$550 for the contract and the balance of the \$1149.50 invoice for the repair to the chlorinator that was bad.

Moving on from this, Dan polled the board for questions on the Treasurers Report. Dan Poston moved to accept the Treasurer's report. The motion was seconded by Jon Miller. The motion was carried by 6 positive votes.

Accounts Report

The Accounts Report was provided in written form by Kevin Ayers. See the attached report titled January 2026

Accounts stayed at 264,

1% or 28 accounts were positive on the 1st.

16% or 42 accounts were late.

On the 20th and at the end of the month, that number was down to 14 or 5%.
Total amount in arrears is just over 140 bucks.
You see two accounts
less than 30 days, just short of 120 and two accounts,
30 to 60 days for 21 and some change.
No leak adjustments, no cutoffs notices sent.

Produced just over 1 million gallons, sold 793500 gallons.
The water loss for the system was 135,946, which was 13.12%.

The Finch loss amount was 37,500, which is low for that plant.
The Stringtown plan, the loss was 98,400, which is 21.55%.
This includes a 40,000-50,000 gallon estimate for the loss resulting from the plant problems this month.

System Bacterial test was clear on 1/27/2026.
Well 3 Bacterial test was clear on 12/22/2025

Jason Smith asked about the flushing amounts, Kevin replied that our typical flush amount on a standard month is an estimated 27,000 gallons for all points.

Drought level is now Stage 3.

Office was closed on New Years Day (1/1/26)

The BCRA GD water usage survey for 2025, TWDB water usage and water loss surveys for 2025 were both completed. Kevin Ayers verified with Ker Pump that the Q4 DOQR was submitted as required.

Dan polled the group for questions. David Reed made the motion to accept the accounts report. The motion was seconded by Roger Mora and carried with 6 positive votes.

System Operator's Report

See included reports January 2026 Facilities Report.
Emerson presented the highlights were presented by Kevin Ayers.

January 6th found our first leak out there in Orchard Park. Learned that the maps were incorrect again. Where we thought we had a solid line running, we had a T-section that was blown out and replaced. And then we had a second valve out there that used to be a shut-off valve. This was really a second shutoff valve at some point got put in instead of them taking out the old shutoff valve, they left it, and it broke. So, we had to do replace 2 valves out there. All this work took 3 days

January 12th We had a blowout out there in Stringtown, corner of Medina Hills Road, Stringtown, a complete 20-foot section cracked. We basically were only out of water for a few hours, had water back on at 7:30 PM that evening. Then it took us Tuesday to start backfilling and packing with Portland. This repair was completed Wednesday, January 7th.

January 31st We spent a lot of time, actually we spent an abnormal amount of time on Friday, Saturday, check and fix distribution line for leaks due to the usage numbers being double completely out of whack, double the usual values. And we finally figured that one out Saturday afternoon. This was a meter through the school.

They cost us a whole lot of hours by not telling us they had a problem and we were out there chasing finch distribution lines for two days. I've talked to the superintendent about it because of all the time we spent looking for leaks, but they didn't actually find it until Friday, early in the, around one, I think she said. So then they shut the water up after school and fixed it. Emerson advised the superintendent to notify MWSC of these problems to prevent time wasted.

Dan polled the group for questions. Charles Anderson moved to accept the System Operators report. Motion was seconded by Jon Miller and was carried with 6 positive

Old Business

No old Business in January 2026

New Business

Alternate Capacity Requirements

Alternate capacity requirement ACR with TCEQ that Kevin Ayers Jonathan worked on last year for a few months getting all the data together. They did grant us our alternate capacity requirements. Kevin provided a new Capacity Breakdown for each plant with the new numbers. So basically, you have 3 capacity issues that you must maintain.

You have well pumping, water storage, and elevated storage or pressure tank storage.

Those are the three things that TCEQ makes sure are at the 85% action level capacities.

Finch

So, if you see well pumping on Finch at the top, this shows how many connections we have, and our new requirement is 0.35 GPM (adjusted from the standard 0.60) per connection. With the new requirement we can sustain up to 394 connections and 335 would be our 85% mark. You see that's the breakdown for storage there. 425 is 85% action level and currently we're only at 182. Elevated storage, again, we can sustain about 425 connections and we're nowhere near that. So we're in the clear.

Stringtown

The new capacity there for pumping is 0.52 gallons per minute.

The reason that it didn't go so low is when we compiled all this data, I didn't have notes as far as high usage times to take the abnormally high usage periods out of the dataset. Without a way to make those adjustments, we went with our straight usage data that includes all leaks. When they asked for renewal for this, which they will every few years, Kevin will have maintenance record, a log we are starting now so that we will have the ability to exclude abnormally high usage periods.

But anyway, as you see, as far as well pumping, we're less than 50% of 85%.

You see the pressure tank storage at Streamtown, the bottom item.

We can facilitate up to 100 connections, 85 being the 85% mark, and currently we have 82 connections.

Now, obviously you guys know the 5K tank, I wrote the numbers there when we get that installed.

But all this really means is when TCEQ comes back to inspect, if we're over 85 connections, we will have to, within 6 or 12 months, install the 5K tank.

It's not going to be a rush because we're not at the 100 connections.

But that's not going to happen until 2027, or, more likely 2028.

This is our next target for Capacity requirements. Kevin added that if we get the PRV valves, these numbers will have to be reworked.

There was then a freeform discussion about what will need to be done to the tank to bring it into service.

Coating options and previous pricing were discussed as well as a new plastic coating option which may save some money.

Dan Poston gave some potentially good news. Texas legislature gave an estimated \$1.1 billion to the Texas Water Board, Water Development Board. We don't qualify because we're a 501C3. However, there's a loophole that the county can apply for us. Dan contacted Marissa Bruno. She is going to work with Jonathan, using the information and project priorities that Kevin compiled, and take it to the Commissioner's Court. She said it's

great. Now, we have no firm timeline for this, because I'm assuming she's working on some other entities as well. That even if they just took our top two or something. Dan prioritized it out and I think the tank up there on the Stringtown is the number one priority because it is reaching its life expectancy. Dan will keep an eye on that, more to follow.

New Hire for System Operator

Dan Poston addressed the meeting, talking about a new hire for the system operator contract and introduced Jason Smith of Water Smith Water Services.

We did interview four or five candidates for the position, but we found none of them are really qualified. Jason brought a different perspective that we really hadn't explored before in that he has a commercial operation that does this kind of work with 20 years' experience. So, we have entered discussions with him and at the executive session, we made final tweaks to the proposed contract.

And we're all in agreement as to what goes into the contract and what the dues and responsibilities are and the remuneration. Dan acknowledged Bob Buck as a member of the community and gave some details.

The standard fee is \$3,000 a month, or \$1,500 per well site. Repairs, just to say, are done based on the way we also have them done by RGB or Kerr Pump. So, he has a repair rate that's favorable and will probably save us some money. WaterSmith is

a Class C operator, so we'll transition the Class C responsibilities that Kerr Pump has been performing for us to in-house with him. Overall, we think it's a pretty good deal and we hope you'll enjoy working with us. With that, let's have a vote on it before we talk about the actual transition.

Dan Poston moved that we approve the contract agreement as recommended by the board from the executive session and that we approve that contract. Mike Guidry seconded the motion, and the motion was approved by 6 positive votes.

Dan then addressed Emerson Arnold, the incumbent operator, to finalize some details and agree on a transition plan, the dates of the meter reads, and its impact on customer billing. There was a discussion about adjusting the length of the billing period. Kevin brought up that this impacts all users who use just under the minimum amount of water. These customers would receive 1 bill over the minimum.

Meter reads will be done by Emerson and Jason starting on Monday 2/16, Tuesday 2/17, then finished with Kevin and Jason on Wednesday 2/18. March will be an incomplete month for Emerson but he will receive prorated pay for days worked. Jason asked if we experienced water hammering when doing the flushes that caused leaks.

Purchase of New Equipment – Mini Excavator / Trailer

We realized in our discussion with Jason that the issue of equipment, because he doesn't have his own equipment like RGV does. So, then we start wargaming it out and saying, what happens if we have an after-hours break? Finding equipment such as a mini excavator or backhoe after hours is difficult. Whereas RGB, you call them up, they got it on hand in their yard, they brought it out. So, we're kind of talking about how useful it might be for the company to purchase a mini excavator. These mini excavators are reasonably priced. Jason Smith opined that backhoes are more versatile than mini excavators, as they support more attachments. A front-end loader was specifically mentioned. This sparked another discussion about the different types of tractors, new vs used, buy vs lease. Jon Miller and Mike Guidry are going to collaborate and do some investigations

Dan Poston polled the group for other discussion topics. Hearing none, Jon Miller moved to adjourn the meeting. The motion was seconded by Roger Mora and was passed with 6 positive votes..

Meeting adjourned at 7:05 PM.

Minutes approved as _____ distributed _____ amended.
