

Medina Water Supply Corp

Minutes of Board of Directors Meeting on 03/10/2025

at Medina Community Center

Meeting called to order at 6:01 pm by Board President Dan Poston.

Directors present:

Dan Poston – President

Mike Guidry – Treasurer

David Reed

Jon Miller

Charles Anderson

Quorum present

Also present:

Emerson Arnold - Operator

Bob Buck

Reading of Previous Meeting minutes

Dan asked if the directors had reviewed the previous minutes and reminded everyone that printed copies are available at the office. Dan then polled the group for additions, deletions, and problems requiring corrections. Jon moved to accept the minutes as published, seconded by Mike Guidry, motion carried by 5 positive votes.

Public Comments (5 minutes per speaker)

Dan Poston acknowledged our visitors and asked if Bob wanted to speak now or reserve his comments for later in the meeting. Bob indicated that he wanted to discuss proxy votes, Harvey had mentioned that they were allowed by the bylaws. Dan indicated he would cover that later in the meeting. Bob had an additional concern about the herbicide stored in the storage shed at the Finch plant. Bob asked who was applying herbicide. Emerson Arnold informed us that while we store it, it is applied by a licensed contractor. Emerson didn't know who it was, or what company and indicated that Kevin Ayers is the one who contacts them. Emerson met them last time, but that was around 6 months ago.

Treasurer's Report

Mike Guidry sent out the report ahead of time. See included reports March 2025.

We are in the green \$7324.28 for the month and \$15,524.46 year to date.

Mike then brought up the question about the differences in the P&L sheet and the Register amounts from last month. Mike stated that these two reports don't match up as they are reporting two different things. The Register is a reconciliation of the bank account for the month and the P & L doesn't consider what has cleared. The difference between the two were exaggerated last month due to the bounced check issue, and there were two checks deposited in December that didn't clear until January. Mike said that typically these reports should be close, but that is not always the case.

Dan then asked if we had any large or one-time expenses. None were noted. Dan did note that we are coming up 1800 short every month. At some point this fall we will have to address that by increasing pricing. This will be increase 4 out of 5 so there is only 1 more price increase next year.

Dan then polled the board for questions, hearing none, David Reed then moved to accept the Treasurers report, seconded by Dan Poston. Motion carried with 5 positive votes.

There was some adhoc discussion talking about the bounce check and fees, and whether it is causing the discrepancy between the P&L and the Register amounts.

Accounts Report

The Accounts Report was provided in written form by Kevin Ayers. See the attached report titled March 10th. Kevin was not in attendance as he was out on vacation.

We are now at 261 accounts.

Three accounts in arrears. Two leak adjustments totaling \$750 resulting from line breaks due to freeze.

Just 1,246,300 gallons produced with 1,010,400 gallons sold.

The flush amount this month was the standard amount.

Water loss was 16.72%, but lower than average at the Stringtown variance.

Jon Miller moved to accept the accounts report as published. The motion was seconded by Mike Guidry and carried unanimously.

Field Operations Manager Report.

See included reports February 2025 Facilities Report.

In addition to the written report supplied, Emerson highlighted the following activities.

There was a blowout on 2/11/2025 the corner of Bellows and Stringtown. This was in the same location as a previous repair. This one did cause a boil notice to be sent out.

Emerson did meet with Road & Bridges on the bad place at Linney and Finch. There are plans to do work in the area in the spring if the weather permits. No one has run over the barricade yet.

On 2/27/25 Emerson took his tractor to the Stringtown plant and relocated a large brushpile from the corner of the fence line to the middle of a clear area so that it can be burned as allowed. This also allows us to cut brush out of the fence so as to satisfy the requirements of TCEQ.

Jon Miller asked if there were other breaks in addition to the one at Bellows and Stringtown. There were not. Emerson added that he would be painting tomorrow (3/11/25).

Dan polled the group for additional questions. Charles Anderson moved to accept the Operators report, seconded by Jon Miller. Motion carried with 5 positive votes.

Old Business

Bylaws Changes.

Dan polled the group, asking if there were any proposed changes to the bylaws that we wanted to submit to Kevin. Dan then brought up the proxy vote issue raised by Bob Buck. Dan stated one of the proposed changes was to remove all references to proxy voting. Mail in ballots are allowed but proxy voting is not in line with the revised state rules on that. Bob Buck then asked if the proposed changes are going to comply with the election procedures in the water code. Dan didn't know about the other changes in addition to the proxy voting but the proxy voting issue would be in compliance. There were no other obvious conflicts. The proposed bylaw changes says that mail-in ballots can be mailed to the business office, or dropped off there, or be sent to the election auditor.

Grant Loan Program Updates.

We didn't make the cut for the Texas Department of Agriculture funds (\$750,000 grant). We scored high, 30 out of 70, and we get additional points each year we do not win.

Jon Miller was there when they arrived at the office to tell Kevin, and they were surprised by how high we scored.

For the Texas Water Development Board who grants low interest loans. Ardurra has submitted our application for the 2025 funding cycle. As we have submitted this application for several years in a row, we get additional points for this years rollover. This combined with the recently completed socio-economic study, we are in a good position to be awarded funding in the next few cycles.

Grantworks is working with Ardurra but no new information for this smaller grant.

New Business

Facilities Inspections

Emerson Arnold stated that last time a facility inspection was brought up. Inspections need to be conducted with a written check-off list and conducted with the contractor with more rigor than a random drop-in inspection. The inspecting team would then follow the checklist and annotate findings. These findings and corrective actions would then be prioritized. Dan asked Emerson to work up a starting point for this inspection checklist. Emerson said he would have something put together for the next meeting.

Board Seat

Dan Poston next informed that Harvey Young resigned his position on the board 2 or 3 weeks ago. We are currently looking for replacement candidates. We sent the Annual notice and the deadline for applicants to the board has passed with no respondents, the two board seats that are up for election will be filled by resolution.

Dan asked if there was more, we could do to plan, this stimulated a freeform discussion covering topics already on the prioritized list of projects that require funding. When discussing tying the two systems together (connecting Finch distribution to Stringtown distribution via Pressure Relief Valves). David Reed asks what the status on that issue. Jon Miller said that it is waiting on grant money as the cost is estimated to be around \$80,000. If conditions changed (say there was a dramatic increase in demand) and we needed to act, we could address this with a low interest loan.

Jon Miller moved to adjourn the meeting. David Reed seconded the motion. The motion was carried by 5 positive votes.

Meeting Adjourned at 6:25 PM.

Minutes approved as _____distributed_____amended.
