

**Medina Water Supply Corp**  
**Minutes of Board of Directors Meeting on 9/9/2024**  
**at Medina Community Center**

Meeting called to order at 6:00 pm by Board President Dan Poston.

Directors present:

Dan Poston – President

Harvey Young – Vice President

Janet Miller – Treasurer

Roger Mora

David Reed

Charles Anderson - Secretary

Jon Miller

Quorum present

Also present:

Emerson Arnold - Operator

Kevin Ayers – Contractor

Bob Buck

Jamie Mcfarland

**Reading of Previous Meeting minutes**

Dan asked if the directors had reviewed the previous minutes and asked if they haven't, please read them, then asked for additions, deletions, and problems requiring corrections. During the review Dan mentioned some topics from the minutes that would be talked about tonight most notably the pressure tank repair and idea to purchase a tractor, and the lightning arrestors.

Jon Miller moved to accept the minutes, Harvey Young seconded the motion, motion carried by 7 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 he wanted to reserve his comments for later.

**Treasurer's Report**

Janet Miller as indicated last month, sent out the Treasurer's Report via email prior to the meeting. See included reports Jul 2024.

From the profit and loss report for August, we had a loss of \$7,698.78, bringing the year-to-date loss to \$29,280.35

August Income: \$17,561.90 and Expenses: \$25,260.68.

Janet highlighted the following:

We did have a repair payment to RGB for the repair on Bellows for \$2609.18 and also \$971.50 to RGB for the meters install at the Live Oaks construction.

A \$1000.00 check from Business Services for the Socio-Economic survey.

The total outstanding expenditures for the Stringtown tank installation was \$9,545.00. There was a debit charge to discount tires for truck tires \$1597.50.

We also received a profit-sharing income check from Bandera Electric Coop for \$438.79.

Kevin provided more detail around the non-recurring expenditures. On the Stringtown tank installation \$8000

for the slab, \$1000 for the crane use, \$600.00 for transport.

There was also a \$1000 in the ledger for the Texas Department of Agriculture part of the Socio-Economic Survey. Kevin anticipates that we will be in the green, once we get past these. Dan Poston asked when the new rates go into effect. Kevin answered that the new rates will be reflected in the bill that went out September 1st.

Roger Mora moved to accept the Treasurers report, seconded by Charles Anderson. Motion carried with 7 positive votes.

### **Accounts Report**

The Accounts Report was provided in written form by Kevin Ayers. See attached report.

We are now at 260 account, 10% positive on the first. There was one leak adjustments for \$190.00.

Finch plant had a chlorinator failure that overcharged the water with chlorine, so some water had to be flushed.

Water loss percentage was 12.9%.

Stringtown Plant loss percentage 4.92%.

No bulk water sales due to drought.

There were no office closures in the month of August.

Stringtown tank repair date has been pushed to October due to the availability of the temporary tank required by the repair. We don't have a new ETA yet. A new ETA is expected next week.

Dan asked about some issues mentioned in the minutes from last month. Kevin reported that yes, the issues with the plumbing required for the hookup of the temporary tank, the chlorine input, and the tank level sensor have all been corrected.

Harvey Young moved to accept the Accounts report, seconded by Roger Mora. Motion carried with 7 positive votes.

### **System Operator's Report**

See included reports August 2024 Field Report.

In addition to the supplied written report, Emerson Arnold discussed some highlights for the month. We (Emerson and Kevin) spent a lot of time in August revising maps.

Rebar was cut to stake out the meters. There was call out on Sunday (8/11/24) to address the chlorinator failure. A leak was fixed on Bellows Street. The meter was replaced at the Boyles house. The leaking flanges at the VFD were fixed. Pesticide was re-applied at the Finch plant. Meter reads took 15 hours this month because the meters were also staked, cleaned, and their map entry validated and corrected if necessary.

Jon Miller asked for some clarification on who paid for the meters at the Live Oak Construction project. Kevin clarified that we paid RGB for the work with the money previously collected from the developer.

Kevin Ayers clarified that now that the VFD meter was fixed, it would no longer be accounted for in the accounts report as part of the water loss. Instead, it will be accounted for as any other metered account.

Kevin also informed the board that the flushing schedule was changed so that the flushing amounts will now appear in the reporting period when the flushing occurs. Previously due to the way the flushing falls on the calendar, some months flushing occurred in the next water usage period.

Harvey Young moved to accept the Operators report, seconded by Roger Mora. Motion carried with 7 positive votes.

### **Old Business**

#### **TCEQ Violations**

Violation 2: Daily chlorine check method was not correct. The updated sampling locations and schedules were implemented.

July's data was submitted and accepted. August's data is submitted and accepted as an email from TCEQ indicated, we haven't received the official letter yet, but we should in a month or so.

### **Surge Arrestors**

Kevin and Emerson, working with Kerr Pump during the plant familiarization. The surge arrestors ordered by Michael Sowders have been found and Kevin has those. Stringtown is fully protected, the pumphouse equipment by the PDE, and the well pump by a surge arrestor installed last year. For the Finch plant, well pump 1 is protected by a surge arrestor installed the same time as Stringtown. Well 3 pump is protected by the VFD box, which contains a surge arrestor. Currently the only thing not protected is the lift pumps (quantity 2) at the Finch plant. Kerr Pump provided an estimate for 2 to 3 hours to install the arrestors Michael ordered at an estimated cost of \$350 - \$525 (hourly rate is \$175). Kevin added that surge arrestors only protect against lightning when the current flows in on the hot line. If it flows in through the ground lines, it has no effect.

Installing them protects the plants as much as possible. Dan Poston advised that this level of expenditure does not require a vote. Kevin stated he put this in the meeting agenda to let the board know as this is an unexpected expenditure. Upon polling the board, and hearing no objections, Dan advised Kevin to proceed and have the arrestors installed.

### **Texas Department of Agriculture**

Economic Survey, the Survey tabulation form is provided, and the findings indicate that the "Low to moderate Income Percentage" value was at 62.29% for our area. If that number is above 50% the Texas Department of Agriculture considers us an economically distressed community. This survey is good for 5 years. Kevin will meet with Johnathon to get the ball rolling with Grantworks, to initiate a grant application through the county. They typically do not charge unless a grant is awarded. Kevin thinks the money is dispersed in December via the county. Dan Poston has reached out to Jack Mosely so that he (Jack) knows this is coming. Dan stated that Jack is on board, and we can expect Jack to support us on these efforts. As a backgrounder, Dan said that evidently toward the end of the year the state sends money out to the counties, and with our new classification as economically distressed community, maybe we can advance in the priority list. Sidenote, Kevin provided Dan with a contact for the bank referred by the TRWA for low interest loans. Dan hasn't contacted them yet, but it may be a more streamlined way to get started. Kevin has done some initial research and added that while the interest rates are low, they are still based on the prime rate, and there are a lot of due diligence activities to be completed. Kevin in speaking with Johnathon said that if you get a loan and start working the projects on your PIF, and later get a grant, they won't pay off the loan, so it is probably better, to wait to see if we are awarded a grant. In the priority list, with us being rolled over another year, we should be advancing in the list.

### **Considering a New Tractor**

Kevin completed and presented breakdown of the money spent on tractor fees and tractor operator times over the last 2 years (2022 to June 2024). He also received and compared 2 bids, from Big Rock Construction, and RGB. Due to the rate structure, RGB is more favorable than Big Rock Construction on average. Also, RGB sends operators that are more familiar with water systems, while Big Rock Construction operators are more construction oriented. On a given repair job, RGB anticipates needed supplies and brings them, so they are ready to effect repairs. Big Rock Construction just does the excavation. RGB seems to be a smarter choice for our needs.

Dan steered the discussion back to "buy our own equipment and do it ourselves or continue to use RGB". Emerson Arnold said that with some planning, and staying up on the work to be done, and grouping the jobs together, we could get the work done in a cost-efficient way. Emerson acknowledged that this cannot always be done, but when it can be done, it is less costly than buying and maintaining equipment. Dan adds that the capital investment buys a lot of repairs. Kevin says that since the repairs sometime require two people, after excavation, you would still need to call someone else out.

The board agrees to not buy new equipment at the present time.

### **Abandoned Fire Hydrants at Stringtown**

Harvey Young brought up that there are two abandoned fire hydrants at the Stringtown plant that have been there for a few years. The last two operators have said the hydrants are broken and beyond repair. Harvey had an idea to fix them both up on a cosmetic level and donate one to the fire department for their raffle, and the other, we sell on our website as a fundraiser for the MWSC. Emerson sees them on Facebook Marketplace, and Roger says they sell well in San Antonio.

Harvey moves that we donate one decommissioned fire hydrant to the fire department to sell as a fundraiser for them, and we sell the other decommissioned fire hydrant as a fundraiser for the MWSC. Motion is seconded by Jon Miller. Motion carried with 7 positive votes.

Dan asks for any other items of discussion before adjournment. Jamie Mcfarland asks for an update on the Stringtown tank. Kevin replied that they are working to do the repair in October, and it was delayed due to the temporary tank being unavailable.

Jon Miller moves to adjourn the meeting. Janet Miller seconded the motion. The motion was carried by 7 positive votes.

Meeting Adjourned at 6:42 PM.

**Minutes approved as \_\_\_\_\_distributed\_\_\_\_\_amended.**

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