

RIVER ACRES WATER SUPPLY CORPORATION

**MINUTES OF
REGULAR MEETING**

APRIL 13, 2021

**THE STATE OF TEXAS §
 §
COUNTY OF NUECES §**

On the 13th day of April, 2021, the Board of Directors of the River Acres Water Supply Corporation convened at 5:30 P.M. in a Regular Meeting at the Corporation's Office, 15602 Northwest Blvd., Suite H, Robstown, Texas, there being present and in attendance the following, to wit:

President	David Wishard
Vice-President	John Fernan
Secretary	Janine Pruski
Director	Jeff Holley
Director	Michael Olszewski

Staff:	Office Manager	Brenda Zimmerman
	Office Manager	Kaylee Reed
	Attorney	Charles W. Zahn, Jr. (Via Teleconference)

Members
Absent: Roy George

CALL TO ORDER

1. A quorum being present, the meeting was called to order by the presiding officer, Mr. Wishard, pursuant to posted notice.

RECOGNITION OF GUESTS

2. The presiding officer, Mr. Wishard introduced the following guests: Mr. Marcos Alaniz and Mr. Hector Benavides, of the Nueces County Water Control and Improvement District No. 3.

PUBLIC COMMENT

3. There was no public comment.

MINUTES

4.

- Upon motion by Janine Pruski and second by Ron Hellberg the Minutes of the March 30, 2021 Regular Meeting of the Board of Directors were approved.
- Upon motion by Ron Hellberg and second by Janine Pruski the Minutes of the April 6, 2021 Special Called Meeting of the Board of Directors were approved.

STATEMENT FROM VICE PRESIDENT JOHN FERNAN

5. John Fernan addressed the board of directors on board meeting protocol. John went on to discuss that side bar conversations during the meeting is prohibited and no personal business should be handled at the meetings. Personal business can be discussed with the office managers outside of the board meetings. Board members should be courteous and to the point on topics of discussion.

STATEMENT FROM DIRECTOR JEFF HOLLEY

6. Jeff Holley addressed the board of directors with a PowerPoint presentation on social media expectations for the RAWs board of directors. Jeff went on to discuss that the Board of Directors should not use company platforms to express personal opinions especially when those opinions are ill intended towards RAWs. Board members should discuss truthful, accurate information to the public on the social media platform.

UPDATE FROM NUECES WATER CONTROL DISTRICT #3

7. Mr. Marcos Alaniz and Mr. Hector Benavidez, system operator for the Corporation provided the following updates:
 - a. There were no after hour calls since the last board meeting.
 - b. CR 75 project began on 04.06.21 and is about halfway complete. There was one cross connection found and that has been locked out to prevent any issues with the system. That meter is not in RAWs billing records. Mr. Alaniz stated that flushing has been reduced due to chlorine levels being well maintained by the new water line being installed.
 - c. Mr. Alaniz and Mr. Benavidez discussed all the quotes the board has received regarding the inspection of the water storage tanks. No action was taken.

UPDATE FROM RAWs ENGINEER

8. Paul Pilarczyk was unable to attend the meeting, therefore there was no current update.

OFFICE CO-MANAGERS UPDATE

9. Brenda Zimmerman and Kaylee Reed, Office Co-Managers, provided an update to the Board of Directors as follows:
 - a. Kaylee informed the board that all past due balances for the month of March have been collected.
 - b. Kaylee informed the board that the 2020 financial audit with Kieschnick and Associates is currently ongoing.
 - c. Kaylee informed the board that the developer for West of CR 75 came to the office Monday of this week inquiring about infrastructure and timing of RAWs's expansion that way.
 - d. Kaylee informed the board of the 8 customer adjustments over \$250 this month which included installation fees, bad debt write offs and insufficient funds from customers.
 - e. Kaylee informed the board that Ace Computer Service has no concern of data breach at RAWs. There is a very good firewall in place for prevention.
 - f. Kaylee informed the board that the Nueces #3 thank you luncheon cost RAWs less than \$500.

- g. Kaylee informed the board that the reserve rate letters have been sent and there have been some responses from members. A second letter will be sent after 30 days of no response.
- h. Kaylee informed the board that the account discussed in the last executive session in a previous meeting has been taken care of.
- i. Kaylee informed the board that the city of Corpus Christi IT department called and would like to put an antenna on RAWs's elevated storage tank. Kaylee will reach back out to him to see if he will attend a future meeting for questions by the board.
- j. Kaylee informed the board that she was able to rent a projector, screen and computer for the annual members meeting for less than \$200.
- k. Kaylee informed the board that she and Brenda will attend an Office Professionals Conference in San Antonio on June 4th and 5th put on by TRWA.
- l. Brenda informed the board that she is maintaining the customers that are on payment plans for large past due balances and some have paid in full.
- m. Brenda informed the board that she is working on getting the memberships and deposits in RVS cleaned up to reflect more accurate in each account.

UPDATE ON WATER CONSERVATION PLAN

10. Charlie Zahn, Corporation's attorney, informed the board that TCEQ has reviewed and approved the water conservation plan for RAWs. Upon motion by Mike Olszewski and second by John Fernan, the water conservation plan was approved by the board of directors.

UPDATE ON CERTIFICATE OF CONVENIENCE AND NECESSITY

11.
 - a. Charlie Zahn, Corporation's attorney, informed the board that the final documents were submitted to the Public Utilities Commission on 03.12.21 for final signatures and approval of the CCN. This should take about 90 days from that date.
 - b. Mr. Zahn informed the board that Judge Barbara Canales has provided her written approval for Person's service to return to work on the Quail Valley Project. As soon as person's services returns, work will resume.

REVIEW DRAFT OF 2021 ANNUAL MEMBERS MEETING

12. David Wishard, president of the board, discussed the items that will be included at the annual members meeting on 04.22.21. These items included a list of the Board of Directors, RAWs accomplishments, capital expenses vs. operating expenses, financial statements, and a contractor report.

DIRECTOR'S REPORT MARCH 2021

13. Kaylee Reed informed the board on the Director's Report, that there was a 37% loss in water this month which is 35% more than last month. The board agreed that the system had to recoup water losses from the freeze which is the main reason for the loss.

13 MONTH (LTM) SPREADHSEET THROUGH MARCH 2021

14. Kaylee Reed discussed the spreadsheet comparison with the board. She also informed the board again of the Accrual for the loan principal and interest expense.

ACTUALS REPORTS FOR MARCH 2021

15. Kaylee Reed discussed the Actuals Reports comparing Mar 2020 to Mar 2021 and Mar 2021 to the 2021 Budget.


DIRECTOR COMMENTS

16. Mr. Wishard asked for comments from the Directors.

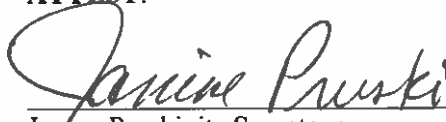
ADJOURN

17. As there was no further business to come before the Board of Directors, a motion was made by John Fernan and seconded by Janine Pruski the board unanimously approved to adjourn.

RIVER ACERS WATER SUPPLY CORPORATION

By  _____
David Wishard, its President

ATTEST:



Janine Pruski, its Secretary