

RIVER ACRES WATER SUPPLY CORPORATION

**MINUTES OF
REGULAR MEETING**

AUGUST 17, 2021

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

On the 17th day of August, 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
Director	Debbie Reiter
Director	Ron Hellberg

Staff:	Office Manager	Kaylee Reed
	Legal Counsel	Charlie Zahn (Via teleconference)

Board Members

Absent: None

Number of Members Present: One (1) in person and three (3) Via Teleconference

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. Hector Benavidez of the Nueces County Water Control and Improvement District No. 3 (the "District"), Mr. Paul Pilarczyk, engineer for the corporation, Mr. Dennis Kyhos with the Texas Water Development Board (via teleconference), Ms. Lindsay Calvert with Cohn Reznick, CPA firm (via teleconference) and Mr. Rochelle Cottingham with Cohn Reznick, CPA firm (via teleconference).

PUBLIC COMMENT

3. There was no public comment.

MINUTES

4.
 - a. Upon motion by Janine Pruski and a second by Mike Olszewski, the August 3, 2021 Regular Board meeting minutes were unanimously approved by the board.

UPDATE FROM NUECES WATER CONTROL AND IMPROVEMENT DISTRICT #3

5. Mr. Hector Benavidez with the District, system operator for the Corporation provided the following updates:
 - a. Mr. Benavidez informed the board that we are still waiting on the inspection report back regarding the elevated storage tank condition. Once the report is back a scope of work can be developed around the results of the inspection.
 - b. Mr. Benavidez informed the board that he estimates the project being 80-85% complete.
 - c. Mr. Benavidez informed the board that the district has hired a part time employee for help with RAWS and will have a second part time employee by the end of August to begin painting hydrants.
 - d. Mr. Benavidez informed the board of what is required for Robin Long to obtain water service from RAWS. Kaylee will work with Charlie Zahn, legal counsel on proper paperwork required for service.
 - e. There were two after hour callouts. One callout was to repair the broken valve at CR 75 and Wade and the second callout was on Partridge Rd. to repair a main line that Person's Services hit.

UPDATE FROM RAWS ENGINEER

6. Paul Pilarczyk, RAWS Engineer, provided the following updates:
 - a. Mr. Pilarczyk reviewed the updated construction schedule map with the board. Contractors should be done with Partridge Rd. by the end of the week and then will move on to Mollie Ln. as well as Harvey Ln. Construction should be substantially complete by beginning of September 2021, weather permitting.
 - b. Mr. Pilarczyk informed the board that he has visited with 5125 Co. to remediate and correct the slope and drainage at CR 73A and Wade St. There is no set date at this time for 5125 Co. to return. The board requested to explore other options to get this work done sooner.
 - c. Mr. Pilarczyk informed the board that the punch list items will be checked when project is complete in mid-September. He will inform the board members when exactly this will take place for board participation.
 - d. No update on pad site.
 - e. Mr. Pilarczyk informed the board that once a pad site is acquired, the scope of work for the new elevated storage tank can be established. Paul will provide a checklist on specifics and approximate prices of the new elevated storage tank to the board for review.
 - f. Mr. Pilarczyk informed the board that once construction is complete, Marshall Meters will be here to do the connection of meters to the new water line.
 - g. The board will take action on implementing the ARC GIS system mapping at a future board meeting.

PRESENTATION FROM DENNIS KYHOS ON THE CFO TO GO PROGRAM

7. The board of directors received an update from Dennis Kyhos with the Texas Water Development Board, Lindsay Calvert with Cohn Reznick CPA, Rochell Cottingham with Cohn Reznick CPA and RAWs Office Manager, Kaylee Reed on the status of the CFO TO GO program.

UPDATE FROM RAWs ATTORNEY CHARLIE ZAHN

8. Charlie Zahn, the corporation's legal counsel provided the following updates to the Board of Directors:
 - a. Mr. Zahn informed the board that he has been in contact with a landowner for a potential pad site and will attempt to expedite the process to begin planning for the new elevated storage tank.
 - b. Mr. Zahn informed the board that the Public Utilities Commission (PUC) does not have a meeting set to approve the RAWs amendment to their Certificate of Convenience and Necessity (CCN), however, there are other meetings scheduled with the PUC regarding amendments to CCN's.
 - c. Mr. Zahn informed the board that the City of Corpus Christi is in total agreement with the lease for their antennae on RAWs's elevated storage tank.

OFFICE MANAGER UPDATE

9. Kaylee Reed, Office Manager, provided an update to the Board of Directors as follows:
 - a. Kaylee reviewed the July 2021 operating account bank reconciliation with the board.
 - b. Kaylee informed the board that the 2020 financial audit with Kieschnick and Associates is nearing the end and RAWs is expected to have a report by the end of the week this week. The firm will then begin filing our 990-tax return.
 - c. Kaylee informed the board of the following bank account balances: Operating account \$613,341.02, Construction account \$6,132.50, Loan reserve account \$244,464.39, UMB Sweep account \$751,686.08 and UMB Green account \$111,088.10. Kaylee also informed the board that the second loan reserve account will be opened soon with Prosperity which will be identical to the existing bond reserve account.
 - d. Kaylee informed the board that the final pay to 5125 will be reduced by \$4,719.20 due to not tying in the water lines at the elevated storage tank. Person's Services has an outstanding balance of \$3,367.47 from the freeze damages in February 2021 and flooding damages in May 2021 and Kaylee will send an invoice for those expenses.
 - e. Kaylee presented a bar graph representing the number of customers compared to the amount of usage for the month of July 2021 as well as a bar graph representing the amount of water loss for a 12-month span.

DIRECTOR'S REPORT JULY 2021

10. The board discussed the July 2021 Director's report with Office Manager Kaylee Reed. Kaylee will work with the district to identify reasons for high water loss.

JULY 2021 LTM 12 MONTH SPREADSHEET

11. The board discussed the July 2021 LTM report with Office Manager Kaylee Reed.

ACTUAL JULY 2021 vs. BUDGET 2021 vs. ACTUAL 2020 (LY)

12. This item was omitted.

PRESENTATION BY RAWs MEMBERS PAM SMITH AND CHRIS CUELLAR ON THE 2021 DRAFT BYLAW PROPOSED REVISIONS

13. RAWs members Pam Smith and Chris Cuellar provided a formal presentation of their recommended changes to the draft 2021 Bylaws.

DIRECTOR COMMENTS

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

ADJOURN

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


RIVER ACERS WATER SUPPLY CORPORATION

By



David Wishard, its President

ATTEST:



Janine Pruski, its Secretary