

RIVER ACRES WATER SUPPLY CORPORATION

**MINUTES OF
REGULAR MEETING**

MARCH 30, 2021

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

On the 30th day of March, 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	Roy George
Director	Ron Hellberg
Director	Michael Olszewski

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

Members

Absent: None

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. Paul Pilarczyk, engineer for the Corporation and RAWS members, Mrs. Debbie Reiter, and Mr. Mike Olszewski.

PUBLIC COMMENT

3. There were no public comments.

MINUTES

4. Upon motion by Janine Pruski and second by Jeff Holley the Minutes of the March 16, 2021 Regular Meeting of the Board of Directors were approved.

UPDATE ON OPEN BOARD POSITION

5. Kaylee Reed informed the board that the only application received for the open board position was one from Michael Olszewski. Upon motion by Ron Hellberg and second by Janine Pruski, the board unanimously approved Mr. Michael Olszewski for the open board position.

UPDATE BY NUECES COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 3

6. Mr. Hector Benavidez and Mr. Marcos Alaniz were absent from the meeting. Kaylee Reed provided the following updates on their behalf.
 - a. There were no after hour calls since the last meeting.
 - b. NCWID #3 will begin work on the CR 75 project at the end of this week and it will take approx. 3-4 weeks to be completed.
 - c. Mr. Marcos Alaniz provided two quotes from Maguire Tank and Dunham Tank for inspections on the elevated storage tank. Kaylee Reed informed the board that there will be one more quote coming.

ENGINEER'S REPORT

7. Mr. Paul Pilarczyk, engineer for the Corporation provided the following updates:
 - a. Mr. Pilarczyk informed the board that there has been no correspondence with Nueces County since their meeting approx. 3 weeks ago. Charlie will be reaching out to get things moving along.
 - b. 5125 Company is complete and can receive their final payout for the project.
 - c. 1st colony is complete and has been tied in by 5125 Company. Broad Acres will be tied in by Core & Main at no cost to RAWS. Quail Valley will be tied in by Persons Services once Nueces County approves the construction.
 - d. Mr. Pilarczyk is still searching for potential properties along FM 624 for the construction of the new elevated storage tank. Mr. Pilarczyk informed the board he met with St. Thomas Church and they will not sell. He is now looking at property west of CR75 and is awaiting contact with that landowner.
 - e. Mr. Pilarczyk informed the board that the Texas Water Development Board had comments about the Water Conservation Plan and the board will have to review and approve the changes at the next meeting.

RECEIVE UPDATE FROM RAWS COUNSEL, CHARLIE ZAHN ON:

8. Charlie Zahn, the corporation's attorney provided the following updates:
 - a. The \$1,785,000 loan from TWDB closed on 03.29.21 and the funds have been held on account for RAWS. Mr. Zahn informed the board that a title policy for the loan will need to be purchased which will cost the corporation \$12,871.05 and is required from TWDB. Funds cannot be disbursed until this title policy is in place. Mr. Zahn will handle this with 1st title company.
 - b. Mr. Zahn informed the board that the CCN is still in review with the PUC and in the next couple of months the PUC will review and approve. Once approved, Mr. Zahn will record the information with Nueces County for completion.

- c. Mr. Zahn informed the board of the proper definition of a nonprofit water supply corporation. Mr. Zahn stated that the water supply corporation CAN make a profit off water sales.
- d. Mr. Zahn informed the board of the "Base Rate" and "Reserve Rate" definitions. The board discussed these rates and determined the "Reserve Rate" is not a valid fee/rate to charge the members.

TAKE ACTION ON BASE RATE/SERVICE AVAILABILITY CHARGE

9. After board discussion of the "Base Rate", "Reserve Rate" and "Service availability Charge", Jeff Holley made a motion to waive the disconnect fee for all customers on "Reserve Rate" with RAWs and completely do away with the "Reserve Rate". John Fernan seconded the motion and the board unanimously approved. Brenda Zimmerman and Kaylee Reed will give the customers 60 days to decide the status of their account and implement the new charges for the appropriate customers.

REEXAMINATION OF RATE STRUCTURE BY ANDREW FRIEDMAN

10. The board discussed having Andrew Friedman (actuary for Samco Capital) to reexamine RAWs's rate structure. After discussion, Jeff Holley made a motion to table this item and Ron Hellberg seconded. The board unanimously approved.

OFFICE CO-MANAGERS UPDATE

11. Brenda Zimmerman and Kaylee Reed, Office Co-Managers, provided an update to the Board of Directors as follows:
 - a. Kaylee Reed informed the board that there were 77 past due cards sent out for the March bill totaling \$11,421.51. There is now only 1 past due account for the March bill totaling \$94.72.
 - b. Brenda Zimmerman informed the board of 16 delinquent accounts over one (1) year old that will be written off in the amount totaling \$2,985.74. Upon motion by John Fernan and a second by Janine Pruski, the board unanimously approved the write off.
 - c. Kaylee Reed informed the board that the audit with Kieschnick and Associates is moving along and is set to be complete by April 2021.
 - d. Kaylee Reed informed the board that the LK Jordan Temporary Assistant's last day will be Friday April 2, 2021. She has made that known to the Assistant and LK Jordan.

RECESS OPEN MEETING AND CONVENE EXECUTIVE SESSION

12. The board went into executive session at 8:10pm. No action was taken.

RECONVENE OPEN SESSION

13. Open session was reconvened at 8:55pm


DIRECTOR COMMENTS

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


ADJOURN

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

RIVER ACERS WATER SUPPLY CORPORATION

By 
David Wishard, its President

ATTEST:


Janine Pruski, its Secretary