

RIVER ACRES WATER SUPPLY CORPORATION

MINUTES OF

REGULAR MEETING

OCTOBER 17, 2023

THE STATE OF TEXAS §
§
COUNTY OF NUECES §

On the 17th day of October 2023, 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/Treasurer	Janine Pruski (via teleconference)
Director	Jeff Holley
Director	Mike Olszewski (via teleconference)
Director	Ron Hellberg

Staff:	Office Manager	Kaylee Reed
	Legal Counsel	Charlie Zahn

Board of Directors Members
Absent: None

Number of Members Present: 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. Mr. Paul Pilarczyk, Engineer for the Corporation, Mr. Marcos Alaniz and Mr. Hector Benavidez, with Nueces County Control and Improvement District #3 ("The District"), System Operator for the Corporation.

RECEIVE CONFLICT OF INTEREST AFFIDAVITS

3. President David Wishard asked for Conflict-of-Interest Statements. No Conflict-of-Interest Statements were provided by any member of the Board of Directors.

PUBLIC COMMENT

4. No public comment was made.

MINUTES

5. Approval of the minutes.
 - a. Upon motion by Mike Olszewski and a second by Ron Hellberg, the Minutes of October 2, 2023, Special Meeting of the Board of Directors were unanimously approved by the Board of Directors.

DISCUSS STAGE 1 OF THE DROUGHT CONTINGENCY PLAN

6. The Board of Directors reviewed and discussed the current drought conditions and the RAWS Drought Contingency Plan.

UPDATE FROM THE DISTRICT ON SYSTEM OPERATIONS

7. Mr. Marcos Alaniz and Hector Benavidez, with The District provided the following updates to the Board of Directors:
 - a. Chlorine residuals have been holding well above 1.0.
 - b. The new pump station for The District is online and operating well. The District will test the RAWS system soon to ensure the pump station can support RAWS system and The District synonymously.
 - c. The valve and hydrant exercise program is ongoing and monitored every 6 months for the system.
 - d. The main meter for the system has been tested for accuracy today by Accurate Meter & Supply. The meter is 99.2% accurate.
 - e. The District estimates the blasting and painting of the ground storage tank will be approx. \$40,000.
 - f. The District informed the Board of Directors that the control valve (clay valve) has been replaced at the ground storage tank for approx. \$7,000 as the original one has failed.

REVIEW, DISCUSS AND TAKE ACTION ON OPERATING AND CAPITAL FUNDS FOR UPCOMING SYSTEM EXPENSES

8. The Board of Directors reviewed and discussed current operating and capital funds available for the following system expenses:
 - a. Operating account balance
 - b. TWDB loan amount
 - c. Principal and Interest on loan payments 1 and 2
 - d. Refurbishment of existing elevated storage tank
 - e. Painting of the existing ground storage tank
 - f. Construction of new elevated storage tank
 - g. Possible base rate holiday

UPDATE FROM RAWS ENGINEER, PAUL PILARCZYK

9. Mr. Paul Pilarczyk, the Corporation's engineer provided the following updates to the Board of Directors:
 - a. The Project Information Form (PIF) for the Texas Water Development Board (TWDB) was submitted on May 23, 2023, for consideration of funds for the Lead and Copper Rule Revision. Preliminary results placed RAWS in a position of 55 out of a total of 257 systems. No new information currently.
 - b. The existing elevated storage tank is currently predicted to last approximately 3-5 years under the current condition. Limited maintenance is required to maintain the integrity of the existing elevated storage tank. Maintenance is expected to cost approximately \$100k and is delayed until the new pump station is completed for The District to support the RAWS system while the tank is out of commission for maintenance.
 - c. The Board of Directors reviewed the water system volumes and apparent losses assessment with Mr. Paul Pilarczyk.
 - d. Upon motion by David Wishard and a second by Jeff Holley, the Board of Directors unanimously approved the Tolunay-Wong Engineers, Inc. geotechnical investigation for the foundation design of the new elevated water storage tank on the new tank site after November 1st, 2023.

RECESS OPEN SESSION AND CONVENE IN EXECUTIVE SESSION

10. At 6:26 pm Mr. Wishard announced that the Board of Directors would go into executive session to deliberate the purchase, exchange, lease, or value of real property in Nueces County, Texas pursuant to Section 551.072 of the Local Government Code.

RECONVENE OPEN SESSION

11. At 6:50 pm Mr. Wishard reconvened in open session. Upon motion by David Wishard and second by John Fernan the Board of Directors authorized the President of the Board of Directors to:

(1) Close the Real Estate Sales Contract with Dee Etta Rojas to purchase Lot One-A, Block One (1), Riverside Suburban Tracts, an Addition near the City of Corpus Christi, Texas; (2) Enter into a Material Storage Lease Agreement with Dee Etta Rojas on Lot One-B, Block One (1), Riverside Suburban Tracts, an Addition near the City of Corpus Christi, Texas; Enter into a contract with Tony Gutierrez in the amount of \$4,703.85 to remove a fence encroaching on the property being purchased from Mrs. Rojas, said sum to be reimbursed out of the proceeds of the sale and purchase with Mrs. Rojas and to pay Tony Gutierrez a finder's fee of \$2,500.00.

UPDATE FROM RAWS ATTORNEY CHARLIE ZAHN

11. Charlie Zahn, the Corporation's legal counsel provided the following updates to the Board of Directors:

- a. No updates were provided.

SEARCH FOR A QUALIFIED, CREDINTIALED CANDIDATE TO FILL VACANT BOARD POSITION

12. The Board of Directors discussed the open board position. No action was taken.

OFFICE MANAGER UPDATE

13. Kaylee Reed, Office Manager, provided an update to the Board of Directors as follows:

- a. Kaylee Reed reviewed the bank account reconciliation with the Board of Directors.
- b. Kaylee Reed advised the Board of Directors that the Corporation's bank account balances are as follows:
 - i. Operating account \$415,454.42
 - ii. Construction account \$10,107.90
 - iii. Bond Reserve I \$204,866.90
 - iv. Bond Reserve II \$44,405.25
- c. Kaylee Reed discussed with the Board of Directors regarding obtaining the daily readings from The District to monitor the water entering the system vs. flushing numbers.
- d. Kaylee Reed discussed with the Board of Directors takeaways from the 2023 TRWA Office Professional's Conference.
- e. Upon motion by David Wishard and seconded by Ron Hellberg, the Board of Directors unanimously approved the fifth lease amendment for 15602 Northwest Blvd., Ste. H, Robstown, Tx 78380

DISCUSS SEPTEMBER 2023 LTM REPORT

14. The Board of Directors reviewed the September 2023 LTM report.

DISCUSS SEPTEMBER 2023 DIRECTOR'S REPORT

15. The Board of Directors reviewed the September 2023 Director's report.


DIRECTOR COMMENTS

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

ADJOURN

17. As there was no further business to come before the Board of Directors, a motion was made by John Fernan with a second by Jeff Holley to adjourn.

RIVER ACRES WATER SUPPLY CORPORATION

By 
David Wishard, its President

ATTEST:


Janine Pruski, its Secretary