

**MINUTES OF BOARD OF DIRECTORS REGULAR MEETING
GONZALES COUNTY WATER SUPPLY CORPORATION
MAY 21, 2024**

The regular monthly board meeting of the Gonzales County Water Supply Corporation, hereinafter called "GCWSC", was held in the GCWSC meeting room located at 2000 Waelder Road in Gonzales, Gonzales County, Texas on Tuesday, May 21, 2024, beginning at 6 p.m. The meeting was held in accordance with the Texas Open Meetings Act.

Board Members Present:

Greg Tieken, President (Dist 4)
Brian Sample, Vice Pres (Dist 6)

Clayton Hines, Director (Dist 7)
Jason Breitschopf, Director (Dist 3)

Others Present:

Daniel Pepin, GCWSC General Manager Denise Migl, GCWSC Office Manager
Larry Lassig, GCWSC Compliance Officer

#1 CALL TO ORDER/QUORUM CONFIRMATION

Noting a quorum present, President Greg Tieken called the meeting to order at 6:04 pm.

#2 AGENDA POSTING VERIFICATION

The agenda was properly posted to the premises and web site by the Office Manager. (A)

#3 PUBLIC FORUM

No one signed up to speak in the public forum. (B)

#4 CONSENT AGENDA

The consent agenda was approved via board motion by Clayton Hines, seconded by Brian Sample. (C)

#5 ACCOUNTS PAYABLE

The AP Aging was approved via motion by Brian Sample, seconded by Jason Breitschopf. (D)

#6 FINANCIAL RESULTS

President Tieken commented on our steady cash balance. The bad debt expense increased due to the large delinquent amount written off. Overall, there was a net income of \$15K compared to the budgeted net loss. The financial results were approved via motion by Jason Breitschopf, seconded by Clayton Hines. (E)

#7 CASH AND FINANCIAL UPDATES

The cash and financial updates were presented as additional information to the Board. (F) President Tieken commented on the financial status of FNB of Shiner. They are borrowing from the Fed to remain liquid, which is increasing interest expense, which is contributing to the declining net income. We will monitor the future net income results.

#8 304 WELL BACKWASH EROSION

The Board voted to approve a one-time payment to reimburse half the cost to rebuild the 304 well discharge channel via motion by Brian Sample, seconded by Jason Breitschopf.

#9 PURCHASE OF FLOOD INSURANCE FOR WATER TREATMENT PLANT

The Board tabled a decision pending a premium quote to acquire flood insurance to meet the new FEMA special flood hazard area (SFHA) designation for the Water Treatment Plant via motion by Jason Breitschopf, seconded by Clayton Hines.

#10 RENEWAL OF LINE OF CREDIT

The Board voted not to renew our \$150,000 Line of Credit with Cobank at this time. The LOC expires on 7/31/24 with a renewal cost of \$1,000.00. The Board agreed to pursue other forms of financing.

#11 MANAGER'S REPORT

The highlight of the manager's report was personnel changes. Three new employees were hired and one position recently came open. An advancement framework is in progress and license and resiliency training is being scheduled.

#12 SYSTEM PRESSURE ISSUES

General Manager Pepin was pleased to report that system pressure was maintained in spite of SCADA issues and storms.

#13 LONG RANGE PLANNING

General Manager Pepin recapped the long-range plans. Most projects are pending due to unforeseen issues. We are in the process of fully utilizing our new crew and equipment in the South as well as a new contractor.

#14 ADJOURNMENT

President Tieken handed out revised committee assignments. The Board stood adjourned via motion by Jason Breitschopf, seconded by Clayton Hines at 7:15 pm.

Approved: June 18, 2024

Greg Tieken, President

George Bozka, Secretary/Treasurer