

**MINUTES OF BOARD OF DIRECTORS REGULAR MEETING
GONZALES COUNTY WATER SUPPLY CORPORATION
JUNE 21, 2022**

The regularly scheduled 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, June 21, 2022, beginning at 6:00 p.m. The meeting was held in accordance with the Texas Open Meetings Act.

Noting a quorum present, President Greg Tieken called the meeting to order at 6:00 pm. General Manager Barry Miller verified the posting of the agenda on the website and the building premises as noted on Exhibits "A through A1".

The following Directors were present:

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| Greg Tieken, President (Dist 4) | George Bozka, Secretary/Treasurer (Dist 1) |
| Brian Sample, Vice President (Dist 6) | Clayton Hines, Director (Dist 7) |
| Tel Lindemann, Director (Dist 5) | Jason Breitschopf, Director (Dist 3) |
| Stewart Frazier, Director (Dist 2) | |

The following Employees were present:

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| Barry Miller, GCWSC General Manager | Denise Migl, GCWSC Office Manager |
| Larry Lassig, GCWSC Operator | Sylvia Jalufka, GCWSC Office Assistant |
| Oscar Casas, GCWSC Foreman | |

PUBLIC FORUM

No one signed up to speak in the public forum as shown in Exhibit B.

CONSENT AGENDA (Note: These items may be considered and approved by one motion of the Board; or, directors may request to have any consent item removed from the consent agenda for consideration and possible action as a separate agenda item).

- Minutes of the May 17, 2022 regular meeting (C-C2)
- May Membership Changes (C3)
- Transfers and Bills to be Paid as of June 21, 2022 (C4)
- Disbursements from Manager's Account as of June 15, 2022 (C5)
- May Certificates of Deposit Report (C6)
- May Maintenance and Flushing Reports (C7-C10)
- May Station Information Report (C11)
- May Overtime Report (C12-C13)
- May Transportation Report (C14)
- May Water Pumpage Report (C15)
- 2022 Water History Comparison Report (C16)
- May Directors Report (C17-C18)
- April Consumption Breakdown/Loss/Static Level & Drawdown (C19-C21)
- Unserved Potential Customers (C22-C23)
- Unserved Applicants (C24)

The Consent Agenda was reviewed by the Board as noted on Exhibits "C through C25". President Tieken commented on the usefulness of the Station Information Report to monitor drought conditions as required by TCEQ. A motion made by Brian Sample and seconded by

Clayton Hines carried, thus approving the Consent Agenda as a whole.

MAY ACCOUNTS PAYABLE SUMMARY

The Accounts Payable Aging as of May 31, 2022 was reviewed noting commencement of spending on improvement projects that have been in queue for some time now. A motion made by Clayton Hines and seconded by Tel Lindemann carried to approve the May AP Aging as presented in Exhibit “D”.

STATEMENT OF ACTIVITIES, STATEMENT OF FINANCIAL POSITION AND SUPPLEMENTAL DATA

The Statement of Activities-YTD Comparison, Statement of Financial Position and Supplemental Data for the month of May were reviewed as noted on Exhibits “E-E4” noting our strong liquidity and steady liabilities. Via a motion duly made by Tel Lindemann and seconded by George Bozka, the Board adopted the following resolution:

BE IT RESOLVED: THE STATEMENT OF ACTIVITIES, THE STATEMENT OF FINANCIAL POSITION, AND SUPPLEMENTAL DATA FOR THE MONTH ENDING MAY 31, 2022 BE AND ARE HEREBY ACCEPTED AND APPROVED AS SUBMITTED.

Also reviewed were the Financial Covenant computed with year to date amounts rather than month to date amounts, as shown on Exhibit “F”, the Delinquent Listing, with two accounts pending write off, as shown on Exhibit “G”, and the Profit and Loss Budget v Actual for the month as shown on Exhibits “H-H1”, which showed favorable results with the exception of transportation costs which are running over-budget due to gas price inflation. Exhibit (H2-H3)

CASH AND FINANCIAL UPDATES

The Board reviewed the Cash Update and Financial Update as noted on Exhibits “I-I1”

MANAGER’S REPORT

The manager’s report was reviewed as shown on Exhibit “J-J1”. General Manager Miller and Plant Foreman Casas were optimistic regarding our recent TCEQ inspection results. The inspector concentrated on pressure and chlorine reads.

DISCUSSION AND ANY NECESSARY ACTION ON SYSTEM PRESSURE

Bulk water was identified as the main culprit of low pressure complaints. Exhibit K.

DISCUSSION AND ANY NECESSARY ACTION ON LONG RANGE PLANS

Mr. Miller stated that his recent meeting with engineers did not bode well for our current 2” pipes. Looping larger pipe in between the 2” pipe does not allow for an increase in meters. Mr. Miller will update the numbers prior to another Long Range Planning Committee meeting.

RATES AND FEES COMMITTEE DECISIONS

The Rates and Fees Committee, consisting of Brian Sample, George Bozka, and Greg Tiekens, met Friday, June 17, 2022, to discuss increasing fees for new meter installations, RPZ compliance, history logs, and valve damage. It was moved by Brian Sample and seconded by Jason Breitschopf that the new fees go into effect September 1, 2022. The amended fee structure was adopted by the Board with a motion by George Bozka and seconded by Stewart Frazier:

BE IT RESOLVED: BEGINNING SEPTEMBER 1, 2022, THE COST TO SET A NEW METER WILL BE \$4,500.00, WITH 4/5 OF THE INCREASE TO BE RETAINED FOR CAPITAL IMPROVEMENTS. THE COST OF RPZ ANNUAL COMPLIANCE TESTING WILL BE \$100.00 WITH A REPAIR COST OF \$150.00 AND A RETEST OF \$100.00. PER YEAR, AN INITIAL HISTORY LOG WILL COST \$50.00 WITH SUBSEQUENT LOGS DURING THE SAME YEAR COSTING \$100.00. DAMAGED CUT-OFF VALVES AT THE METER BOX WILL COST \$250.00.

MISC ITEMS TO COME BEFORE THE BOARD FOR DISCUSSION

General Manager Miller brought to the Board's attention the need for brush maintenance along our cross country lines. The Board agreed we should hire an independent contractor to handle occasional spraying.

In closing, President Tieken stressed the importance of monitoring potential drought conditions in light of our sustained record high temperatures and lack of sufficient rain in accordance with TCEQ guidelines through continuous conservation efforts on behalf of our members. Conservation reminders will be posted on the website and future bills. Exhibit L.

ADJOURNMENT

There being no further business to come before the Board, a motion duly made by Stewart Frazier, seconded by Jason Breitschopf, carried, and the meeting adjourned at 7:53 p.m.

Approved, July 19, 2022

Greg Tieken, President

George Bozka, Secretary/Treasurer