

**MINUTES OF BOARD OF DIRECTORS REGULAR MEETING
GONZALES COUNTY WATER SUPPLY CORPORATION
JUNE 25, 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, June 25, 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)	Clayton Hines, Director (Dist 7)
Brian Sample, Vice Pres (Dist 6)	Jason Breitschopf, Director (Dist 3)
Stewart Frazier, Jr., Asst Sec/Treas (Dist 2)	Tel Lindemann, Director (Dist 5)

Others Present:

Daniel Pepin, GCWSC General Manager	Denise Migl, GCWSC Office Manager
Larry Lassig, GCWSC Compliance Officer	David Koepp, GCWSC South Foreman
Sylvia Jalufka, GCWSC Customer Service	Rene De La Garza, American R-O-W
Gary Schroeder, American R-O-W	

#1 CALL TO ORDER/QUORUM CONFIRMATION

Noting a quorum present, President Greg Tieken called the meeting to order at 6:00 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. The two representatives of American R-O-W were there to observe the groundwater rights discussion but were excused from Executive Session. (B)

#4 CONSENT AGENDA

Tel Lindemann commented on the delay and necessary completion of the Wrightsboro GST. General Manager Pepin stated he would expedite the project. The consent agenda was approved via board motion by Tel Lindemann, seconded by Clayton Hines. (C)

#5 ACCOUNTS PAYABLE

Brian Sample commented on the necessary purchase of new meters to change out meters that are no longer automatically reading. The AP Aging was approved via motion by Clayton Hines, seconded by Brian Sample. (D)

#6 FINANCIAL RESULTS

President Tieken commented on the sale of meters and the corresponding growth in the Capital Improvement Fund, which resulted in an active meter count of 3,034. The shop supplies expense increased due to tool purchases to supply the newly created Southern leak crew. Overall, there was a net income of \$10K compared to the budgeted net loss. In addition, our debt covenants remain strong and there were no delinquent accounts to write off. The financial results were approved via motion by Brian Sample, seconded by Jason Breitschopf. (E)

#7 CASH AND FINANCIAL UPDATES

The cash and financial updates were presented as additional information to the Board, showing the recent cash cycle and the concentrations of funds among various banks. (F)

#8 FLOOD INSURANCE FOR SURFACE WATER TREATMENT PLANT

Our Cobank representative advised that he could release the WTP from the loan collateral due to immateriality. This would remove the requirement to obtain FEMA flood insurance. The Board voted to forego the purchase of flood insurance for the WTP via motion made by Jason Breitschopf, seconded by Stewart Frazier.

#9 AMENDING EXISTING GROUNDWATER LEASE - WRIGHTSBORO WELL

The Board went into executive session at 6:15 to discuss the legal matter pertaining to amending the existing groundwater lease at the Wrightsboro well.

#10 BOARD APPROVAL OF NON-STANDARD SERVICE CONTRACTS

While in executive session, the Board also discussed entering into contracts with developers regarding non-standard service. According to GCWSC policy, all legal contracts must be signed by both the Board President and the General Manager.

RESOLUTION: EXECUTIVE SESSION

The Board came out of executive session via motion by Tel Lindemann, seconded by Clayton Hines at 6:38 pm. No action was taken. Back in open session, the Board voted to amend the existing groundwater lease pertaining to the Wrightsboro well via motion by Clayton Hines, seconded by Brian Sample. In addition, the Board voted to approve the non-standard service agreements as presented for the completed A&E Estates and Mayspring subdivisions via motion by Brian Sample, seconded by Jason Breitschopf. Stewart Frazier Jr., developer of A&E Estates, abstained from voting to avoid a potential conflict of interests. The Board also approved to move forward with the pending non-standard service agreements for Country Lane and Cowboy Acres, via motion by Jason Breitschopf, seconded by Stewart Frazier.

#11 MANAGER'S REPORT

The manager's report highlighted progress made in hiring and training employees, meeting compliance and reporting deadlines, repairing leaks and future BPAT testing.

#12 SYSTEM PRESSURE ISSUES

General Manager Pepin was pleased to report that system pressure has not been an issue.

#13 LONG RANGE PLANNING

General Manager Pepin stated that he had no updates to the long-range plans.

#14 ADJOURNMENT

The Board adjourned via motion by Brian Sample, seconded by Jason Breitschopf at 7 pm.

Approved: July 16, 2024

Greg Tieken, President

George Bozka, Secretary/Treasurer