

BOARD MEETING MINUTES

Thursday, October 17, 2024
CANYON PARK CLUBHOUSE
6:00 PM

MINUTES

Attendees: Robert Simard, Dalene Felder, Daniel Rushing, Johnny Clawson, Jim Marxen

Absent: Lawrence Sepulveda

Quorum present: Called to order at 6:03 pm

DISCUSSION:

1. Dalene Felder reviewed the last board meeting minutes, Dalene Felder made the motion to accept, Robert Simard seconded the motion. Motion passed unanimously.
2. Dalene Felder reviewed the financials, covering all bank accounts, including the new Emergency Repairs savings account with balances, expenditures and cash on hand. Per the figures in RVS, per the Directors Report, indicated we had a slight rise in loss percentage that increased to 7.16%. The increase is contributed to the replacement air compress as several customers have indicated water pressure has increased resulting in a greater number of leaks. Discussion concluded that the pressure regulator needs to be adjusted down to 50 PSI, Dalene Felder made the motion to accept, Daniel Rushing seconded the motion. Motion passed unanimously.
3. A question regarding the increase in leaks, Johnny Clawson had purchased from fixtures from another supplier, that the water contractor evaluated and indicated they would work, lowering the cost somewhat. Jim Marxen to ask if he suspects the new fixtures.
4. **NOTE: Added after meeting:** Jim Marxen asked the water contractor about the new fixtures if they possibly contributed to the original leak fix releasing. Donnie Duke indicated that none of the new fixtures were used for the few leaks that had to be reworked due to the increase of the water pressure. The water contractor stated that the larger leak was most likely due to the four inch clamp used to fix the leak initially was from the inventory and it was slightly malformed and they tried to straighten it out.
5. Johnny Clawson provided an update on the water plant fence project. No progress has been made since the last board meeting other than the fencing material purchased was returned as it was not of the same specs as the new section. Johnny Clawson indicated he was trying to catch up with the vendor who did the two sides of new fencing to determine what the next step is.

6. Jim Marxen indicated, regarding the IRS Notice of Intent waiver, the accountant indicated they were still waiting for the IRS to process.
7. Jim Marxen indicated that he submitted the required initial Lead & Copper inventory to TCEQ via Swift. Swift appears to be the government entity tracking the lead & copper inventories from around the US for EPA as they ask for the state to obtain the inventory template forms.
8. Simply Aquatics dispute, we received a court petition and have hired Fenley-Bate, LLP out of Lufkin as our attorney. The attorney indicates we have a good counter-suit based on Breach of Warranty, and being a nonprofit quasi-government entity, they would not be able to recover any of their attorney fees if Simply Aquatic prevail. He will attempt to settle out of court being cheaper than litigation.

NEW BUSINESS:

1. Jim Marxen contacted the TRWA Legal with the question on liens against seriously delinquent water accounts. TRWA Legal indicated that we must follow the process by first going through the judgement process and it was illegal in Texas to place a lien on a person's homestead if they reside there. Not following the judgement process first would open up the corporation for possible petition(s) to be filed against the corporation. TRWA Legal indicated that unless the arrears amount was large, they would recommend just writing off the delinquency. Further discussion on delinquent accounts centered around whether the meter and tap should be pulled. The tariff allows us to pull meters after a period of time for not being used. No decision was made.
2. Discussion on the electrician and the schedule to have the Turner Controls fixed for soft-start functionality. The electrician is currently on a large job in Corrigan that looks like it will be several weeks at least before the electrician is available to address our problem. Robert Simard suggested Johnny Clawson contact the electrician again and ask if there was another electrician he would refer to fix the issue. He was concerned regarding the possibility of another power outage happening before the soft start functionality can be corrected by the electrician.
3. It was suggested that we begin winter preparations on the water plant. There are a few items that need to be reviewed for the upcoming cold weather.
4. Johnny Clawson brought up the few items that are being planned to address at the water plant. The pressure scales need to be cleaned and serviced, the floor scales are used for weighing the Chlorine and should be serviced. The PVC piping from the chlorine compressor needs to be replaced with brass or copper, and Johnny Clawson indicated he was researching aerator fans as a possible replacement. The current aerator fans on the storage tanks do not appear to be working and he will be checking for power leading to the fans.

5. We receive the paperwork for the insurance renewal and Jim Marxen asked for the board's input whether our coverage was sufficient due to the inflation occurring this past year. We had updated our coverage two years ago and the insurance company only provides a four percent (4%) cost of living adjustment each year that doesn't appear sufficient to cover any major damage to the water plant. Jim Marxen will reach out to TRWA and the insurance company for obtaining the latest evaluation.
6. The board of directors have decided that there would be no November board meeting since we will be entering the holiday season unless there is a reason to hold an executive session.

ADJOURNMENT:

Dalene Felder made the motion to adjourn the meeting and Robert Simard seconded. All agreed. The board meeting was adjourned at 6:55 pm.