

BOARD MEETING MINUTES

Thursday, December 19, 2024
CANYON PARK CLUBHOUSE
6:00 PM

MINUTES

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

Absent: Lawrence Sepulveda

Quorum present: Called to order at 6:00 pm

DISCUSSION:

1. Robert Simard asked if everyone had reviewed the last board meeting minutes Jim Marxen sent in the meeting packet yesterday. Everyone present indicated they had. Robert Simard made the motion to accept the last meeting minutes. Dalene Felder seconded the motion. Motion passed unanimously.
2. Dalene Felder reviewed the financials, covering all bank accounts, with balances, expenditures and cash on hand. Per the figures in RVS, per the Directors Report, indicated we had a very large rise in loss percentage that increased to 31.06%. The increase is contributed to the large number of leaks and the continuing issue of water pressure regulation. Johnny Clawson indicated he had more detail that he would cover later in the meeting. Robert Simard made the motion to accept the financials, Daniel Rushing seconded the motion. Motion passed unanimously.
3. Jim Marxen indicated, regarding the IRS Notice of Intent waiver, the accounting firm indicated they still had not heard from the IRS. Jim Marxen to follow up again with Axley & Rode, LLP after the holidays.
4. In regards to the Simply Aquatics dispute, our lawyer (Fenley-Bate, LLP) responded with an offer to settle, however, the Simply Aquatic's lawyer indicated that the offer was refused. Our lawyer has filed a counter suit for Breach of Warranty and discovery will be the next step on both sides.
5. The board discussed the election committee for the upcoming election in April 2025. Robert Simard, Dalene Felder and Jim Marxen will be the committee this election cycle.
6. The water contractor's contract is up for renewal at the beginning of next year. Historically the contract is renewed in January. Last year the contract was effective on March 1st. There were no items to change or update from the board's perspective and are willing to renew as the contract stands unless the water contractor has changes he would like the board to consider. Dalene Felder questioned whether the water

contractor had obtained his CSI license since we paid for him to take the class in Galveston this summer. To the best of all present, the water contractor has not stated that he had, and Jim Marxen indicated he hasn't informed the office but would ask him.

NEW BUSINESS

1. Discussion on Christmas bonuses for employees. Dalene Felder made the motion to provide a \$200 Christmas bonus to all employees who have been with the company at least a year. Robert Simard seconded the motion, The motion passed unanimously.
2. Johnny Clawson provided an update on the water plant water pressure feedback issue. Over the past few weeks, they found a bad check valve that has been replaced, and the line coming from the water plant to the pressure tank was flushed removing debris. They were hoping replacing the bad check valve and flushing the line addressed the issue of the back pressure to the tanks, however there is still back pressure. They will be replacing the entire piping, however it will involve shutting down the water for approximately 20 minutes, and we will need to issue Boil Water notices. To keep the time to a minimum while replacing the line, as much of the pre-work such as digging the trench between the water plant and pressure tank will be done prior to the hookup of the lines. We will need to provide as much notice to customers prior to the work to minimize the impact to customers. Robert Simard suggested at least 2-3 days advance notice once the scheduling with the vendor has been determined.
3. Johnny Clawson indicated he was supposed to meet with the vendor for the aerator fans yesterday morning, however, the vendor did not show up.
4. Discussion on the need to do a 'full' flushing like Johnny Clawson executed last fall. We didn't have any customer issues for sediment in the water for several months. Jim Marxen did indicate we had a few calls for sediment, but the many of the calls were on S. Canyon, one of our low points in the subdivision. Discussion on Johnny doing another "full" flush and recording the sequence and numbering of the flush valves he does. In this way, this information can be passed to our water contractor to follow. The discussion also covered possibly doing a flush on the low part of the subdivision at night which it is believed has the least impact on customers on those couple of streets.

ADJOURNMENT:

Robert Simard made the motion to adjourn the meeting and Daniel Rushing seconded. All agreed. The board meeting was adjourned at 6:38 pm.