

Minutes
Monthly Board Meeting
Chalk Bluff Water Supply Corporation
October 1, 2024

The Board of Directors of Chalk Bluff Water Supply Corp. met in regular session at 6:00 PM. **October 1, 2024**, at the Chalk Bluff Water Office, 6511 Gholson Road, Waco, Texas 76705 and via Zoom. The board reserves the right to take action on information items.

Office Attendance: Lem Brown, President; Keith Dodds, Secretary/Treasurer; Board Members: Vern Darlington, Don Raybold, Ed Butler, John Engelke; Jamie Rager, Operator; Chance Bradbury, Field Supervisor; Elizabeth Clinard, Office Manager; Member, Tracy Mahan.

Zoom Attendance: Kathleen Down, Attorney.

Absent: Board Members: Noah Smith, Vice President; Mike Mitchell, Eddie Coker

Call to order: (6:00 pm)

- 1) Comments from President or Presiding Director: Lem Brown, President, called the meeting to order at 6:00 PM.
- 2) Kathleen Dow, Atty:
 - A. CCN Update: Kathleen stated she had requested additional time and was granted until December 9th to submit a revised CCN map along with audited 2023 financials. PUC would like to see an agreement with The City of Waco prior to approving our new CCN. Elizabeth provided all the other requested information. Homestead Heritage does not have an approved CCN. Homestead Heritage does have a proposed map that they previously discussed with Barry Hand with a ½ mile radius outside their service area that they can serve without amending their CCN as opposed to the usual ¼ mile radius. There needs to be an official agreement with them for who controls what areas. If the board is not confident with the Homestead Heritage map there needs to be a discussion. Vern Darlington stated he prefers no dual CCN and suggests a facility CCN with no additional radius. Lem Brown stated he wants the best long-term solution with minimal impact to CBWSC. Kathleen stated she does not know Ross WSC's stance with Homestead Heritage. Vern suggested amending our CCN map with Ross WSC. Lem asked if Kathleen should handle the CCN negotiations with Ross WSC? Lem asked Chance to reach out to Ross WSC and report back to Kathleen at the next meeting.
 - B. Hire Auditing Firm: Elizabeth stated she had reached out to Patillo Brown and Hill, a CPA firm regarding the 2023 financial audit. PB&H stated the fee would be between \$9,000.00 and \$10,000.00 and would take approximately one month. A motion was made by Vern Darlington and seconded by John Engelke to ask Patillo Brown and Hill to audit the 2023 financial statements. Motion carried.
 - C. Kevin Lander: Kathleen stated a certified letter was mailed to Kevin and was returned unclaimed. She also said a letter was also mailed by U.S.P.O. mail. A motion was made by Don Raybold and seconded by Vern Darlington to make a 2nd attempt to contact Kevin Lander by telephone and email with 48 hours to respond with the missing well and chlorine residual logs. If he does not respond in 2 days, CBWSC bore requested that Kathleen serve Kevin and pursue all legal remedies. Motion passed unanimously.
 - D. Jaime Hand/Flush Logs: Lem Brown asked what we need to do regarding the missing 2024 Flushing Logs? We have made every attempt to obtain them from Jaime Hand with no success. Vern Darlington stated he would reach out to Jaime for the flushing logs. Vern said Jaime originally mentioned had the flushing logs and he would turn them into CBWSC. Lem asked Kathleen if we should send a certified letter if there was no response. Kathleen suggested we make contact first.
- 3) Consideration of September 2024 Minutes, August 2024 Director's Report and Financials, [Pages 4, 5, 6 Omitted](#) (Consensus approval vote) A motion was made by John Engelke and seconded by Keith Dodds to approve the September Minutes and August Financials. Motion carried.
- 4) Office Manager Report: Elizabeth said she spoke with Patillo Brown & Hill CPA for a price quote for their services. Their fee structure was the same as JRBT. Don Raybold said his neighbor that is a CPA, would like to speak with Elizabeth regarding our CPA needs. Don said she is traveling now and will not be back until mid-November. Elizabeth said our insurance company AIA called regarding Gerald Glatter proving services as a contractor rather than an employee. As a contractor he can sign a workman's comp release, and our attorney can prepare a release for him as a contractor. Don Raybold asked that we office employment to Gerald and if he chooses to be continue as a contractor to offer to have him sign the waiver.
 - A. Bank Balances:
 - American Bank Operating: \$ 69,655.11
 - American Bank Petty Cash: \$ 1,895.72
 - American Bank Special Project: \$ 524.44
 - American Bank Capitol Improvement: \$ 29,636.47

American Bank Emergency: \$ 1,260.22

American Bank: Cdars \$ 951,049.73

Independent Operating: \$1,858.86

Cadence Operating: \$ 43,563.43

\$ 1,099,443.98

- B. Customer Exceptional Use 50,000 plus gallons:
- C. 2024 Gallon Pumped YTD – STGWD Permitted Amount Used: 80.22%
- D. Alternate Engineering Company: The board asked Chance to look into an alternate engineering company that would be able to apply for Grants for the system. Chance suggested that we speak with TRWA to ask about grant funding also.
- E. Monthly Reports:
 - Water Loss: 14.38%
 - Changed Meters Update: 0
 - New Meters Purchased: 0
- 5) Field Supervisor Report:
 - A. System Leak Updates: Chance stated he wound a device attached to CBWSC lines at Homestead Heritage that was being used to use water from our system unmetered. Chance spoke with Zeek at HH and explained that this is not allowed, and legal action would be taken if another device is found.
 - B. Outstanding Work Order Report: Chance stated that the storage tank at White Rock has had 2 floor repairs and if the floor begins to leak again CBWSC should consider getting a new tank at an estimated cost of \$300,000.00 instead of continuing to repair.
 - C. Lead Service Line Inventory Plan Update: Ready to submit to TCEQ, Annie's hours worked 93
 - D. GPS mapping system update: **Not started**
- 6) Operators Report:
 - A. Revision of 1 meter per residence rule: After a lengthy discussion, it was decided to table the rule.
- 7) Action items:
 - A. Fire Hydrant Installation/Hand Invoices: Mr. Maughan attended the meeting and addressed the fire hydrant bill regarding the fire hydrant they requested to be installed. He said he was originally quoted \$1,500.00 for the fire hydrant and installation from Barry Hand. The bill now is \$300,00.00. He said he is not willing to pay over \$6,000.00 for the hydrant. Chance Bradbury said the hydrant could be removed and replaced by a fill valve. Chance said the 6" hydrant should not have been installed on a 3" line. A motion wand made by Keith Dodds and seconded by Vern Darlington to remove the hydrant and replace it with a 2" fill valve if Mr. Mahan does not want to keep and pay for the hydrant. Motion passed unanimously. Mr. Mahan said he will make and decision and contact the office by Friday.
 - B. Budget: Ed Butler reviewed the budget for review and approval. After a review of the budget a motion was made by Vern Darlington and seconded by Don Raybold to approve the budget with a few minor changes. Motion carried.
 - C. Elizabeth reviewed the bid from ADT for 1 additional camera for the warehouse and cameras for the well houses. Elizabeth stated that we currently pay Ambolds \$49.99 a month and ADT \$66.40 for a total of \$116.39. ADT gave a quote of \$5,000.00 for equipment and a price of \$121.00 a month for the office and a price of \$1,240.80 for the wells with a monthly price of \$37.49 for a total of \$158.86 a month. After a discussion it was decided to shop around for pricing from other companies. The Board did suggest that fire extinguishers be purchased for the office.
- 8) Information Items:
 - A. Memorandum of understanding: City of Waco (Noah Smith)
- 9) Members/Board Members concerns:
 - A. Questions and Answers: None
 - B. Discussion about ongoing and possible upcoming issues: None
- 10) Executive Session if necessary:
- 11) Closing comments Presiding Director and/or Manager: None
- 12) Adjournment: A motion was made by Vern Darlington and seconded by Keith Dodds to adjourn. Motion carried. The meeting adjourned at 8:50 PM.

The Board of Directors may adjourn into executive session on the above items under Section 551.071 of the government code to discuss matters with the water system's attorney. No final action will be taken in executive session.