

Minutes
Monthly Board Meeting
Chalk Bluff Water Supply Corporation
November 5, 2024

The Board of Directors of Chalk Bluff Water Supply Corp. will met in regular session at 6:00 PM. **November 5, 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.

Present in office: Lem Brown, President; Noah Smith, Vice President; Keith Dodds, Secretary/Treasurer; Board Members; Vern Darlington, Don Raybold, Ed Butler, Eddie Coker, John Engelke, Jamie Rager, First Operator; Chance Bradbury, Field Supervisor; Elizabeth Clinard, Office Manager; Brad Neimer, Vice President/American Bank

Present via Zoom: Kathleen Dow, Attorney.

Absent: Board Members; Mike Mitchell, Eddie Coker.

Call to order:

- 1) Comments from President or Presiding Director: Meeting was called to order by Lem Brown, President at 6:03 PM.
- 2) Kathleen Dow, Atty:
 - A. CCN Update: Kathleen stated that the approved audit firm will have the audited financials ready mid-February. Kathleen will file for an extension regarding the CCN update and asked that we keep her informed of the audit progress.
 - B. Hire Auditing Firm:
 - C. Kevin Lander: Kathleen stated she did file a suit attempting to recover the documents that Kevin Lander has and an attempt was made to serve him at Solitude Lane. The person at the address stated he was not Kevin Lander and stated he was Christopher Jones. A 2nd attempt was made to serve him again and the gate was locked. Kathleen stated for an additional \$40.00 and mileage the processor would serve Kevin at the Brandon-Irene Water Board Meeting where he is employed. The board requested Kathleen to have Kevin served at the Brandon-Irene Water Board Meeting.
 - D. Jaime Hand/2024 Flush Logs: Lem Brown asked that Kathleen send a formal letter to Jaime Hand with a friendly tone requesting the 2024 Flush Logs. Vern Darlington texted Jaime and he said he will have the flushing logs by the end of the week.
- 3) Consideration of October 2024 Minutes, September 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 accept the minutes as written. Motion passed unanimously. A motion was made by John Engelke and seconded by Noah Smith to accept the September Director's Report and Financials. Motion passed; Ed Butler abstained from vote.
- 4) Office Manager Report: Brad Neimer with American Bank spoke the board regarding potential needs for working capital and lines of credit. Brad said with a line of credit CBWSC would only pay interest on funds drawn for operations. He also suggested the TRWA may have better interest rates. Brad asked Elizabeth to provide financials to him so he can put together a presentation for the next board meeting. Elizabeth brought up the after-hours turn on for customers that have been locked for non-payment. There are no hours set for after hours turn on. The board asked that Elizabeth and Chance put together suggestions for cut offs and cut on and email to the board to be voted on at the December meeting and adjust our Tariff to reflect the changes. A motion was made by Vern Darlington and seconded by Keith Dodds to set temporary orders for 2 months to not cut water back on after 8:00 PM. Customers will have to wait until the next morning at 8:00 AM. Motion passed unanimously. TCEQ inspection will be Friday morning at 9:00 AM.
 - A. Bank Balances:
 - American Bank Operating: \$ 39,162.59
 - American Bank Petty Cash: \$ 1,895.72
 - American Bank Special Project: \$ 504.77
 - American Bank Capitol Improvement: \$ 29,699.33
 - American Bank Emergency: \$ 2,240.98
 - American Bank: Cdars \$ 955,206.00
 - Independent Operating: \$ 2,270.98
 - Cadence Operating: \$ 42,773.90
 - \$ 1,073,754.27**
 - B. Customer Exceptional Use 50,000 plus gallons:
 - C. 2024 Gallon Pumped YTD – STGWD Permitted Amount Used: 90.67%
 - D. Monthly Reports:
 - Water Loss: 21.44%

- Changed Meters Update: 7
New Meters Purchased: 0
- 5) Field Supervisor Report:
 - A. System Leak Updates: 14 Repaired
 - B. Outstanding Work Order Report: Chance demonstrated to the board meters that have been tampered with or are so old that they are not reading. Chance is working to change problem meters with radio read meters throughout the system focusing on the North side of the system first. Chance also stated he is going to get with the meter readers to locate meters that can't be found. There was a discussion from the board with Chance to accurately report the flushing for water loss.
 - C. Lead Service Line Inventory Plan Update: Submitted to PUC
 - D. GPS mapping system update: **Not started**
 - 6) Operators Report: Jamie Rager pointed out the gallons sold have gone up with the meters that have been changed.
 - A. Alternate Engineering Company:
 - 7) Action items:
 - 8) Information Items:
 - A. Memorandum of understanding: City of Waco (Noah Smith)
 - B. One Meter Per Residence Rule: A motion was made by Noah Smith and seconded by John Engelke to approve the one meter per residence rule as written by in our current Tariff, while awaiting clarification from TCEQ on their position. Operator and board shall review requests for grandfathered or exception on a case by case with the Engineer. Motion carried.
 - 9) Members/Board Members concerns:
 - A. Questions and Answers:
 - B. Discussion about ongoing and possible upcoming issues: Don Raybold mentioned Janice McDuff would like to visit with Elizabeth and or the board as a potential new CPA for CBWSC. The board said they are in support in interviewing for the position.
 - C. Hand Plumbing Update: Keith Dodds brought up we do not have an invoice for Lead inventory or an invoice for installing water meters. Hand Plumbing has requested the information from CBWSC for the invoicing. Elizabeth has sent the information requested to Taryn Hand for invoicing. Meters that have been double changed will be taken into consideration when the invoices are received. On the lead inventory Annie had 93 hours and Diane had 6.25 hours for a total of \$1,860.00. Do we take that off the invoice submitted by Hand Plumbing? The board supported deducting the expense incurred by CBWSC from Hand Plumbing's invoices for lead inventory as Hand Plumbing is in breach of its contract. Vern Darlington stated he supports asking for clarification for invoices that are in question.
 - 10) Executive Session if necessary:
 - 11) Closing comments Presiding Director and/or Manager: Lem Brown said there will be a appreciation dinner on December 7th at the River Pavillion for all board members and staff. Lem will cook steaks and sides will be bought by the board.
 - 12) Adjournment: A motion was made by John Engelke and seconded by Vern Darlington to adjourn the meeting. Motion carried and meeting adjourned at 8:30 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.