

Minutes
Monthly Board Meeting
Chalk Bluff Water Supply Corporation
July 1, 2025

The Board of Directors of Chalk Bluff Water Supply Corp. will meet in regular session at 6:00 PM. **July 1, 2025**, 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/President; Board Members: Vern Darlington, Don Raybold, Ed Butler, John Engelke, Jamie Rager, Operator; Chance Bradbury, Field Supervisor; Elizabeth Clinard, Office Manager; Krystal Quiram, Administrative Assistant; Frank Stephens, SPI Engineering.

Zoom Attendance: Kathleen Dow, Attorney; Cindi Daniels, Auditor.

Absent: Noah Smith, Vice President.

1. Call to order: Lem Brown called the meeting to order at 6:04 PM.
2. Audit Review: Paul J. Christensen & Associates, LLC: Cindi with CPA reviewed the 2023 audit report. She stated there were no concerning notes. Ed Butler thanked the auditor and staff for a clean audit.
3. Kathleen Dow, Atty:
 - a. CCN Update: Kathleen stated she has forwarded the 2023 audit to the PUC. She also said she met with Ross WSC and their engineers. Ross WSC stated they prefer dual CCN for areas of overlap. Duff Engineering needs to review to be sure we do not expand our area. Ross asked that customers in the overlap area can choose which water system they would like to use. Vern Darlington stated his meeting with the City of Waco went well. He stated that Lisa Tyer is no longer over the water division. Waco is getting water from the Brazos River and will be willing to sell water to rural water systems.
 - b. Kevin Lander: Kathleen said the insurance company attorneys are still negotiating with Kevin Lander's attorney. They are hoping to have a resolution within 60 days.
4. Consideration of June 2025 Minutes, May 2025 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 May Financials as written and approve June Minutes with corrections to 5.b and 7.b. Motion passed. After a discussion, a motion was made by John Engleke and seconded by Don Raybold to move the monthly meetings to the 2nd Tuesday of every month. Motion passed unanimously.
5. Office Manager Report:
 - a. Bank Balances:
American Capital Improvement: \$31,829.95
American Bank Operating: \$75,701.04
American Bank Petty Cash: \$740.22
American Bank: Cdars: \$909,128.15
Total: \$1,017,399.36
 - b. Customer Exceptional Use 50,000 plus gallons:
 - c. 2025 Gallons Pumped YTD – STGWD Permitted Amount Used:
 - d. Monthly Reports:
Water Loss:
Changed Meters Update: 4
New Customer Meters: 2
New Meters Purchased: **0**
6. Field Supervisor Report:
 - a. System Leak Updates: Chance said we lost the creek crossing on FM 308. A tree came down the creek and took it out during the heavy rain. It is being repaired now.
 - b. Outstanding Work Order Report:
 - c. GPS mapping system update:
 - d. Job Bids: After a discussion, a motion was made by Ed Butler and seconded by Keith Dodds to begin repairs on Beverly Cox, Ouida and Pamela. Motion passed unanimously. Chance stated the insurance company sent out an auditor. The auditor noted that the roof at the Halbert Well needs repair. Chance said we should have quotes for the roof repairs next month.
7. Operators Report:
8. Action items:
 - a. Homestead Heritage Update: Lem Brown stated that he mailed the letter of intent to Homestead Heritage on May 8, 2025. There has been no response. Keith Dodds met with Homestead Heritage

regarding their wells and making use of the wells they currently have. Their engineer said it would cost too much money, and he would ask HH for permission to build another holding tank. Zeke told Keith HH has a limit on how much they can pump daily.

- b. Field Supervisor Salary:
9. Information Items:
- a. Engineering Co. Committee: (Vern, Keith, Noah) Frank Stephens with SPI stated that his firm is currently working on our application with STGWD. He suggested we ask for 40-acre feet of water. Frank said he was told by Scott with STGWD that there are 800-acre feet available and he is expecting 25 to 26 applications. A motion was made by Vern Darlington and seconded by Don Raybold to instruct SPI to ask for 83.5-acre feet. Motion passed unanimously. Frank with SPI briefly went over the agreement between SPI and CBWSC. Keith Dodd's asked that the word "reasonable" be inserted before the word expenses. The potential agreement is now being reviewed by Buenger and Associates.
 - b. Grant Application Update: Frank with SPI discussed the grant application process. Ed Butler stated he submitted a PIF in March for a grant with TWDB. Frank said they are expecting 356 applications submitted. If CBWSC is selected, they will receive an email to submit an IUP within 30 days to complete the application. He also said if we do not receive a grant, we can roll our PIF over to next year. He said SPI will submit grants free of charge on behalf of the water system. Ed Butler presented a letter of Engagement and a Board Resolution to begin working with Water Finance Exchange.
10. Members/Board Members concerns: Keith Dodds asked if there is a way for our office software to alert if a customer has zero use on a meter that has previously been using water to alert a broken meter. Lem stated he will ask Elizabeth if the software has this capability.
11. Executive Session if necessary: Lem Brown requested that the board move into the executive session.
12. Closing comments Presiding Director and/or Manager:
13. Adjournment: A motion was made by Vern Darlington and seconded by Keith Dodds to adjourn the meeting. Motion carried. Meeting adjourned at 8:45 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.