

Kempner Water Supply Corp.

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Subject: Minutes of the Board of Director's Meeting on November 20, 2019 are in summary only and, not a transcript of the recorded meeting.

Attendees: Board – George Gondorchin, Richard (Ric) Dominowski, George McClintock, Vanita Craft, Mack Carroll, Keith Turner, Glen Posey and Roger O'Dwyer. Janice Kliza not in attendance.
Guests – Andy McSwain, Attorney at Law from Beard, Kultgen, Brophy, Bostwick & Dickson, PLLC, Owen DeWitt and Jason Jones of Jones-Heroy & Associates.
Staff - Delores Coberley, Michael Lentz, Stacy Ellis and Cindy Benson.

- 1. Call to Order and Establish Quorum – 6:00 pm Quorum Present**
- 2. Pledge of Allegiance and Honor to the Texas Flag**
- 3. Open Session – No one present**

NEW BUSINESS

- 4. Discussion and possible action to approve the October 23, 2019 Monthly Board of Director's Meeting Minutes.**

Discussion took place regarding HB #2840. Keith believes KWSC should review House Bill #2840. Ric and Geo stated KWSC is in full compliance; as long as, non-agenda items discussed in Open Session, do not limit agenda item discussion to less than the required 30 minutes.

Ric Dominowski made the motion to approve the October 23, 2019 Monthly Board of Director's Meeting Minutes. Roger O'Dwyer seconded the motion. 8 in favor, 0 opposed, 0 abstained.

- 5. Discussion and possible action to approve the October 2019 Financial Statements.**

Glen Posey made the motion to approve the October 2019 Financial Statements. Keith Turner seconded the motion. 8 in favor, 0 opposed, 0 abstained.

- 6. Discussion and possible action regarding KWSC Line of Credit.**

Out of Regular Session 6:50 pm

Into Executive Session 6:51 pm

Out of Executive Session 7:22 pm

Into Regular Session 7:26 pm

No Action taken in Executive Session.

Discussion in Executive Session determines the Line of Credit falls within the \$5 million loan already authorized; therefore, no action is needed at this time.

7. Discussion and possible action to approve Committee Meeting Minutes:

a) Elections/Credentials Committee – October 30, 2019

George McClintock went over changes to Election Credentials which are outlined in the minutes.

George McClintock made the motion to accept changes outlined by the Election Credentials Committee. Roger O’Dwyer seconded the motion. 8 in favor, 0 opposed, 0 abstained.

b) Executive Committee – November 12, 2019

Jason Jones of Jones-Heroy & Associates, explained reasons for breaking down requested loan into Line of Credit-separating projects. Which would enable prioritizing projects, while dealing with extensive environmental studies required for USDA Guarantee.

Recommendations: The Committee feels there is no need to modify the approved budget, in order to accommodate Change of Terms in the loan which has been approved by the Board. The Loan was budgeted with 15-year payment term, but it will be a 30-year note to extend the USDA Guarantee.

Roger O’Dwyer made the motion to accept the Committee recommendations. Glen Posey seconded the motion. 8 in favor, 0 opposed, 0 abstained.

OLD BUSINESS

“Discussion and possible action”

- a)** CTWSC- Received notice since the agenda was filed that Judge Adams ruled in favor of KWSC’s Motion for Summary Judgement.
- b)** Transfer of CCN for Clayton Ranch, Bellpass and Dolph Moton have been sent to the PUC. **Note:** Bellpass and Dolph Moten is the other Escrow Agreement; payment pending PUC approval.
- c)** CR3600 Line Loop Project- Easements pending finalization. Construction and engineering reports are being broke down per category and are in the final stages.
- d)** CR3420 Project-Received signed easement from landowner, awaiting Engineering plans.
- e)** WTP Intake Structure-Process remains ongoing. Currently scheduled for install from December 9-12.
- f)** NE System Upgrade-Awaiting final Engineering plans.

8. Manager's Report:

Delores Coberley informed the Board, she found a firm to rebuild the Raw Water Pump being pulled at the WTP at a lesser cost than projected which, was approved by the Board in January of 2019. Currently, KWSC is waiting for the removal of pump to be rebuilt. Bids were sent out and of the bids received, Jurgenson Pump was the lowest.

9. President's Comments:

George Gondorchin thanked members present and Board members for their participation. It was nice to have a meeting full of good news.

10. Board of Director's Announcements:

Keith Turner – Nothing
Vanita Craft – Nothing
George McClintock – Nothing
Ric Dominowski – Nothing
Mack Carroll – Nothing
Glen Posey – Nothing
Roger O'Dwyer – Nothing

11. Adjourn

Vanita Craft made the motion to adjourn at 7:46 pm. Keith Turner seconded the motion. 8 in favor, 0 opposed, 0 abstained.

George McClintock, Secretary/Treasurer