

**KING CREEK WATER SUPPLY CORPORATION
BOARD OF DIRECTORS MEETING MINUTES**

Date: June 11, 2024/Time: 6:30 pm-8:48pm/Location 148 CR 1605, Clifton, TX 76634 (Kenneth Eubanks house)/Dial In: (978)990-5064, Access Code: 1408755/Join Online: <https://joinfreeconferencecall.kingcreekwsc>

Meeting called by: Kenneth Eubanks Attendees: Kenneth Eubanks, Pres.; Craig Hoffman, VP; Pam Kellan, Sec.; Bruce Roebuck, Ron White
Type of Meeting: Monthly Meeting Unable to Attend: Shauna Latham
Facilitator: Kenneth Eubanks Guests/VIP's: Elizabeth Taylor (member)
Note Taker: Kenneth Eubanks
Timekeeper: Kenneth Eubanks

Meeting called to order at 6:30pm with Quorum

AGENDA TOPICS

1. Public Address (15 minutes).....Kenneth Elizabeth Taylor briefly addressed the Board stating that she appreciated the work it performs and that as a newish resident of King Creek, she has an interest in the water system.

2. Secretary Report (10 minutes).....Kenneth/Pam

A. Approval of Minutes for April & May

Ron motioned to accept the April 16th Board Meeting Minutes as presented. Craig 2nd, no discussion, motion passed

Bruce motioned to accept the May 4th Board Meeting Minutes as presented. Ron 2nd, no discussion, motion passed

Craig motioned that the Board preliminarily accept the 2024 Annual Membership Meeting Minutes as presented. Bruce 2nd, Kenneth explained that these Minutes would be presented at the next Membership Meeting for membership approval. Motion passed.

B. Correspondence Received:

Kenneth presented several correspondence and mail received. Of these, two surveys were noted. One survey was presented from the TRWA on Rates and Salary. KCWSC is a member of TRWA, however there is a fee for getting the results for those who did not participate. Kenneth explained that he completed the survey in order to have the results so that the Board could compare the rates of KCWSC with other water systems in Texas. The second survey was from the University of Massachusetts Amherst. This survey was completed with the expectations of obtaining the results. The survey focused on challenges of small water systems and impact of new rules and regulations to small systems whereby consolidation may have been the motivation.

Kenneth also briefed the Board on the legal agreement with Napoli Shkolnik concerning the PFAS class action settlement. Kenneth explained that the TCEQ and TRWA has encouraged involvement as "insurance" in case PFAS was found in the water system. Kenneth expressed his growing concern with some of the questions being asked and the amount of work it was going to take in providing the necessary information to the law firm. The Board concurred with Kenneth's concerns and recommended to halt any further action with Napoli Shkolnik.

C. Proposal for Repainting Water Storage

Kenneth shared with the Board a preliminary proposal to repaint the water storage tank. The bid was excessively high. Ron stated that if the Board would allow, he would oversee and get the cost to paint the storage tank. The Board asked Ron to put a plan together and it would be discussed at the next meeting.

3. Treasurer's Report (10 minutes).....Kenneth
Kenneth presented the reports, which are the first reports from the contract bookkeeper. Kenneth stated that there were changes in some of the accounting practices, not that the previous methods were wrong, the methods did not provide a very deep insight into the income. The new method separates the income into specific sources which will accurately show water sales, TCEQ fees collected, and service charges. Kenneth also pointed out a new report contained within the May report that compares the current month to Year-to-Date and current month to same month of the previous year.

Ron moved to accept the April Treasurer's Report. Pam 2nd, no discussion. Motion Passed

Bruce motioned to accept the May Treasurer's Report. Pam 2nd, no discussion. Motion Passed

Pam moved to pay Kenneth \$15.40 for expenses related to printing as presented in his reimbursement request invoice. Bruce 2nd, no discussion. Motion Passed.

NEW BUSINESS (30 minutes).....Kenneth

A. Vacant Director Seat:

The Board discussed the open seat. Kenneth emphasized the need to fill the seat in order to comply with the ByLaws. Kenneth asked Elizabeth if she would consider becoming a member of the board. Elizabeth agreed to become a member of the Board. Kenneth presented a motion to accept Elizabeth Taylor as a Board member to fill the vacant seat of Robin Hamilton. Bruce 2nd, Elizabeth asked about meeting dates because she would have to make arrangements to attend and also the term of the seat. Kenneth explained that the term would be the remainder of the seats original term which he would look up and provide to Elizabeth, but a normal board seat term is 3 years. Motion passed.

B. Compensation of Board Members:

The Board addressed the action item from the Membership Meeting to look into compensating the board members for their service on the board. Kenneth pointed out that the ByLaws specifically state the board will not be compensated. Kenneth voiced his opposition to board compensation on the basis of it would require considerable work to develop a fair and equitable payment methodology, plus investigate the legal limitations, and have the ByLaws revised. He recommended that if the Board wished to pursue compensation that a committee from the membership be formed to do the legwork necessary to address all aspects of board compensation. Craig, Ron, Bruce, Pam, and Elizabeth with Kenneth in that compensation for the board would be very complicated, and may bring more discontent within the membership. The Board agreed not to pursue the action any further.

C. Meter Replacement:

Kenneth presented four meter replacement proposals from Zenner, Badger, and Neptune. Each of these proposals were for meters that are AMR capable. Kenneth shared his concerns with the Zenner and Badger meter options being mechanical, shorter and limited warranties and were more expensive than the Neptune option. The strong positive points for the Neptune meter are that it is sold and warranted through a Waco distribution center and the warranty was a full 20 years. Another key advantage offered by Neptune is a 96 day history usage log of each meter. Kenneth presented the cost and financial analysis for each proposal. KCWSC has the money allocated for the meter replacement and it is sufficient to cover the cost

of the meters, reader, and software but not the actual installation. The cost of labor to install or replace any of the equipment has historically been a general expense paid from the general account and not considered part of the capital improvement and replacement funding. Kenneth presented two proposals to install the meter which included removing the old meters, activating the new meters, installing the antenna in the meter box lids. Both bids were within \$100 of each other.

Ron moved to approve the Core & Main \$36,916.32 proposal for the Mach10r900i ultrasonic meters with the MRX920 mobile reader with the \$3000 discount. Pam 2nd, Pam asked if the meters or reader would require WIFI. Kenneth stated that he believed wifi was necessary but that he could allow access to his personal network on a guest account for the equipment to upload the data from the meter reading. Motion passed.

Pam moved to accept the Core & Main installation proposal of \$5,430.00 with verification of plumbing contractor in case of unforeseen emergency. Bruce 2nd, Motion passed.

D. Well House repairs:

Kenneth recommended the Board table any planned repair or replacement of the well house on the basis that the 2024 budget was already being stretched by the legal fees involved with selling the water system. The Board concurred.

OLD BUSINESS (20 minutes).....Kenneth

A. Water Plant Driveway Dispute Update:

Kenneth and Pam briefed the Board on the legal findings concerning the ownership of the driveway to the water plant. Mary Hastings, Title Examiner with Bosque Cen-Tex Title, reviewed the title history of the property and provided a letter stating the title history shows the ownership of the driveway is exclusively King Creek WSC with only an easement for utility line recorded. In addition, this information along with the circumstances that led up to the question of ownership and access was sent to the legal team of the TRWA. The TRWA legal representative, Mary Alice McKaughan, provided opinion that the adjacent property owners do not have legal right to use the driveway given that they have alternant access to their property from county road 1605.

Pam motioned to prepare a letter to be mailed to the adjacent property owners (Pepperlings & Villereal) disclosing the legal review and the denial of access and use of the driveway. Craig 2nd, Elizabeth suggested that a letter be sent regular USPS and a second copy by either certified or FedEx. Pam raised concern with the USPS certified letter based on previous bad experience. Kenneth will work on the letter and review with Elizabeth and the TRWA legal team. Motion passed.

Craig moved to have a cable fence constructed down each side of the driveway from the street to the existing fence at the plant along with "Private Drive" & "No Unauthorized vehicles" signage posted at the street. Bruce 2nd, the board agreed the fence should be 2 cables with heavy duty posts and reflectors placed on the cables for high visibility. The length of the cable barrier is approximately 130' each side of the driveway. Craig and Kenneth will seek bids. Motion passed

B. Status on Sell of system:

The status on selling was overlooked and not addressed.

C. LCCR update:

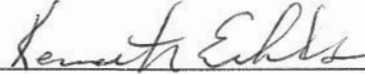
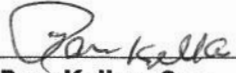
Kenneth informed the Board that the Lead & Copper Rule inventory was completed and that he would submit to the TCEQ by the end of this month. The materials used internal to the structures is not a mandatory requirement for the initial inventory submission, but would have to be completed at some point therefore there was time to survey the homeowners. Kenneth also stated that a letter to the membership was ready to go to the print shop. Elizabeth asked what was the necessity of the letter. Kenneth explained that it was part of the communication requirements set forth by the EPA.

D. Director Report:

The Board reviewed the delinquent accounts. Craig will reach out to the relatives of account 55 which is 61+ days behind. Kenneth asked them to contact him if they would like to pay be credit card.

Adjourn Meeting

Pam made a motion to adjourn the meeting at 8:48PM, Ron 2nd, no discussion motion passed.

	7-9-24		7-9-24
Kenneth Eubanks, Pres.	Date	Pam Kellan, Sec.	Date