

RICARDO WATER SUPPLY CORPORATION  
Regular Meeting Minutes  
April 28, 2022

Board Members Present:

Baldemar Garcia  
Oliver Hinojosa  
Frank Escobedo  
James Fischer  
Robert Garza  
Tim Robertson

Board Members Absent:

Robert Zavala

Staff Present:

John Marez  
Frances De Leon  
Jo Ella Wagner  
Nigel Gomez

Guests Present:

Margaret Kelly, John Womack & Co., P.C.  
Sammy Maldonado, Ardurra  
Eduardo Pena, Ardurra

1. Call to Order.

Board President Baldemar Garcia called the Regular Meeting of the Ricardo Water Supply Corporation Board of Directors to order at 5:39 p.m. A quorum was present.

2. Citizen comments.

Mr. Garcia opened the floor to citizen comments. He requested that the Agreement with Ricardo Wastewater Improvements Corporation be included on the next agenda. He added that he would like to look at the process for developing agendas as this was his second request to have this item included.

3. Election of officers.

Mr. Garcia announced that Vice-President Robert Zavala has resigned from the Board of Directors. He added that a replacement would be needed and recommended Mr. Robert Zavala Jr. to fill the vacancy. Mr. Marez agreed to include appointment to fill the vacancy on the next agenda since the item is not included on this agenda.

Mr. Escobedo nominated Mr. Garcia for President. Mr. Robertson moved to cease nominations and appoint Mr. Garcia by acclamation. Mr. Escobedo seconded and all voted in favor.

Mr. Garza made a motion to elect Mr. Robertson to the Vice-President position. Mr. Escobedo seconded. All voted in favor.

Mr. Robertson made a motion to elect Mr. Hinojosa as Secretary/Treasurer. Mr. Escobedo seconded. All voted in favor.

4. Approval of Minutes.

Mr. Escobedo made a motion to approve the minutes of the March 1, 2022 Regular Meeting as presented. Mr. Garza seconded. All voted in favor.

*The order of the agenda was changed to accommodate the guests representing Ardurra.*

7. All matters pertaining to TxDOT Upgrades on US 77/I69.

Mr. Marez reported that the waterline relocation project has been completed and Pay Estimate #3 needs to be finalized. Mr. Sammy Maldonado and Mr. Eduardo Pena representing Ardurra were present and explained that there had been savings of approximately \$10,000 on the project due to some changes and details that were not carried out as originally designed. Change orders will need to be worked out with the contractor in order to finalize the remaining amount. Mr. Robertson made a motion to approve Pay Estimate #3 as soon as it is finalized. Mr. Hinojosa seconded. All voted in favor.

5. Treasurer's Report/Payment of Bills.

The following financial reports were presented for Board review and approval:

Treasurer's Report as of January 31, 2022

Account Activity for General Account for January 1, 2022 to January 31, 2022

Account Activity for Operations Account for January 1, 2022 to January 31, 2022

TEXPOOL Participant Statement for 01/01/2022 – 01/31/2022 for General Account

TEXPOOL Participant Statement for 01/01/2022 – 01/31/2022 for Membership Deposit Account

TEXPOOL Participant Statement for 01/01/2022 – 01/31/2022 for USDA Reserve Account

TexSTAR General Account Statement for 01/01/2022 – 01/31/2022

Treasurer's Report as of February 28, 2022

Account Activity for General Account for February 1, 2022 to February 28, 2022

Account Activity for Operations Account for February 1, 2022 to February 28, 2022

TEXPOOL Participant Statement for 02/01/2022 – 02/28/2022 for General Account

TEXPOOL Participant Statement for 02/01/2022 – 02/28/2022 for Membership Deposit Account

TEXPOOL Participant Statement for 02/01/2022 – 02/28/2022 for USDA Reserve Account

TexSTAR General Account Statement for 02/01/2022 – 02/28/2022

Water Loss Computation – January 10, 2022 through February 8, 2022

Water Loss Computation – February 8, 2022 through March 8, 2022

The following bills were presented for payment:

STWA Invoice S22-025 \$ 4,593.64

January 2022 Taps and Repairs

STWA Invoice S22-034 \$17,999.02

February 2022 Water Usage, Water Cost and Handling Charge

STWA Invoice S22-035 February 2022 General and Administration	\$18,244.27
STWA Invoice S22-040 Payroll Expense for Part-time Employee (October, November and December 2021)	\$ 2,057.29
STWA Invoice S22-042 Payroll Expense for Stand By Pay October 6, 2021 through December 29, 2021)	\$ 367.71
STWA Invoice S22-044 Reimburse for Fiber optic phone service (09/19/21 through 12/19/21) and High Touch Technology support (10/01/21 through 12/31/21)	\$ 1,324.42
STWA Invoice S22-046 February 2022 Taps and Repairs	\$ 4,955.00

A motion was made by Mr. Robertson and seconded by Mr. Hinojosa to approve the Treasurer's Report and payment of the bills. The motion carried.

6. Appointment of Credentials Committee.

Mr. Garza made a motion to appoint Mr. Hinojosa, Mr. Escobedo and Robert Wagner to the Credentials Committee. Mr. Robertson seconded and all voted in favor.

8. Update and possible action on RWSC website designed by Rural Water Impact.

Mr. Marez stated that NWSC, RWSC and STWA approved Rural Water Impacts proposals for new website designs. All three sites are now live. He asked for the Board's input on the content but no suggestions were made. Mr. Marez stated that staff will continue building and updating information on the website. Mr. Garcia noted that he has received alerts and encouraged all Board members to subscribe to the notification system. No action was taken by the Board.

9. Proposed Tariff Amendment – Section E (13) – Due Dates, Delinquent Bills, and Service Disconnection Date.

Mr. Marez stated that in response to the COVID-19 pandemic, the Board authorized adjusting lockout procedures for customers having difficulty paying their bill. Mr. Marez requested approval to revert to the original, pre-pandemic procedures. He explained that if a payment is not made by the due date, a late fee will be assessed followed by a disconnection notice which allows approximately two weeks prior to being disconnected. He added that if approved, notices would be sent to customers informing them of the change in procedures. Mr. Escobedo made a motion to return to the original process and authorize sending a letter notifying customers of the change. Mr. Garza seconded. All voted in favor.

10. Request to customers for updated contact information.

Mr. Marez stated that contact information on many customers is not current and requested authorization to mail a request for updated contact information to customers. The Board agreed to have staff send out the request to customers for updated contact information.

11. Water Supply and Development Contract with Cesar E. Silva for the Silva Ranch Subdivision.

Mr. Marez presented a Water Supply and Development Contract for the Silva Ranch Subdivision. He stated that the subdivision has been approved by Kleberg County and the Flood Plain Manager. An extension will be required in order to provide service to the subdivision.

12. Resolution 22-03. Resolution authorizing the Ricardo Water Supply Corporation President to enter into a Water Supply and Development Contract with Cesar E. Silva, Developer for the Silva Ranch Subdivision.

Mr. Robertson made a motion to approve Resolution 22-03 authorizing the RWSC President to enter into a Water Supply and Development Contract with Cesar E. Silva for the Silva Ranch Subdivision. Mr. Garza seconded. The motion passed by unanimous vote.

13. Ratify Letter of Engagement for Auditor Services with John Womack & Co., P.C.

Mr. Marez explained that due to issues created by implementing a new accounting software program, additional time was needed for auditors to complete the Corporation's 2021 audit. The additional time increased the cost of the audit by \$605. Mr. Hinojosa made a motion to approve payment of the additional cost. Mr. Garza seconded. All voted in favor.

14. Discussion on increase in Willatt & Flickinger's Legal Assistant Fees.

Mr. Marez stated that he recently received a letter from Willatt & Flickinger which reflected an increase in the legal assistant fees from the current rate of \$115 per hour to \$155 per hour beginning May 1, 2022. He noted that other firms in the Austin area charge up to \$220 per hour for these services. The letter was provided for informational purposes and no action was taken by the Board.

15. Discussion on Part-time Accountant Assistant position.

Mr. Marez stated that the STWA Board approved hiring a part-time accountant assistant. He explained that STWA had used savings from various expenses to fund the position and that nothing is being asked of the Corporation. He added that if funding is needed, he will bring it before the RWSC Board.

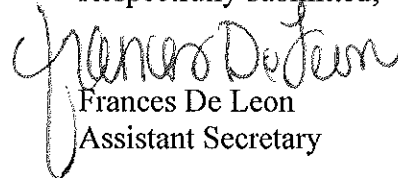
16. Discussion on Kleberg County Human Services Low Income Household Water Assistance Program and approval of Water Provider Agreement.

Mr. Marez stated that he was approached by David Garcia of the Kleberg County Human Services Office about the Low Income Household Water Assistance Program. The program is a one-year program designed to assist low-income households in paying for water services. There is no cost to water providers who participate in the program. The Human Services office has identified some possible clients. When individuals need assistance, they will apply directly with the Human Services office. Mr. Garza voiced a concern about the water rate being locked in for participants. The Board decided to table the item until further clarification is provided by legal counsel.

17. Adjournment.

With no further business to conduct, Mr. Garza made a motion to adjourn the meeting at 6:39 p.m. Mr. Escobedo seconded and all voted in favor.

Respectfully submitted,

  
Frances De Leon  
Assistant Secretary