

RICARDO WATER SUPPLY CORPORATION  
Regular Meeting Minutes  
July 27, 2021

Board Members Present:

Baldemar Garcia  
Robert Zavala  
Oliver Hinojosa  
James Fischer  
Tim Robertson

Board Members Absent:

Frank Escobedo  
Robert Garza

Staff Present:

Carola G. Serrato  
Jo Ella Wagner

Guests Present:

Ralph Ambrose  
Jacqelyn Ambrose  
John Marez

1. Call to Order.

Board President Baldemar Garcia called the Regular Meeting of the Ricardo Water Supply Corporation Board of Directors to order at 5:30 p.m. A quorum was present.

2. Citizen comments.

Mr. Garcia opened the floor to citizen comments. No citizen comments were made.

3. Approval of Minutes.

Mr. Robertson made a motion to approve the minutes of the May 12, 2021 Regular Meeting as presented. Mr. Hinojosa seconded and the motion carried.

*The order of the agenda was changed in order to accommodate the guest, Mr. Ambrose.*

9. Request from Mr. Ralph Ambrose to address Board on business plan for RV Park located on CR 2180 (previously KOA park).

This item was taken prior to other items in order to accommodate Mr. Ambrose.

Mr. Ralph Ambrose addressed the Board regarding his request for service for a proposed RV park on CR 2180. The park is being designed to accommodate 40 RV units with possible expansion to 80 units, 2 retainer ponds, laundry facilities, a swimming pool, a vehicle/boat wash unit and two showers. He has met with his engineer and presented drawings of the park.

RWSC's engineer, Aaron Archer, P.E., Walker Partners, will review the drawings and information provided by Mr. Ambrose's engineer to determine the size of line needed to service the RV Park and other out buildings. Ms. Serrato stated that an easement on the north side of CR 2180 will be needed. Additional information is still needed from Mr. Ambrose's engineer before staff can proceed.

4. Treasurer's Report/Payment of Bills.

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

Treasurer's Report as of April 30, 2021  
Account Activity for General Account for April 1, 2021 to April 30, 2021  
Account Activity for Operations Account for April 1, 2021 to April 30, 2021  
TEXPOOL Participant Statement for 04/01/2021 – 04/30/2021 for General Account  
TEXPOOL Participant Statement for 04/01/2021 – 04/30/2021 for Membership Deposit Account  
TEXPOOL Participant Statement for 04/01/2021 – 04/30/2021 for USDA Reserve Account  
TexSTAR General Account Statement for 04/01/2021 – 04/30/2021  
Treasurer's Report as of May 31, 2021  
Account Activity for General Account for May 1, 2021 to May 31, 2021  
Account Activity for Operations Account for May 1, 2021 to May 31, 2021  
TEXPOOL Participant Statement for 05/01/2021 – 05/31/2021 for General Account  
TEXPOOL Participant Statement for 05/01/2021 – 05/31/2021 for Membership Deposit Account  
TEXPOOL Participant Statement for 05/01/2021 – 05/31/2021 for USDA Reserve Account  
TexSTAR General Account Statement for 05/01/2021 – 05/31/2021  
Water Loss Computation – March 9, 2021 through April 8, 2021  
Water Loss Computation – April 8, 2021 through May 7, 2021  
Water Loss Computation – May 7, 2021 through June 8, 2021  
Water Loss Computation – June 8 2021 through July 9, 2021

The following bills were presented for payment:

STWA Invoice S21-078 April 2021 Water Usage, Water Cost and Handling Charge	\$28,082.00
STWA Invoice S21-079 April 2021 General and Administration	\$17,833.82
STWA Invoice S21-083 April 2021 Taps and Repairs	\$ 6,750.51
STWA Invoice S21-093 May 2021 Water Usage, Water Cost and Handling Charge	\$22,042.45
STWA Invoice S21-094 May 2021 General and Administration	\$19,055.87
STWA Invoice S21-099 May 2021 Taps and Repairs	\$ 5,860.03
STWA Invoice S21-107 June 2021 Water Usage, Water Cost and Handling Charge	\$22,993.30

STWA Invoice S21-108 June 2021 General and Administration	\$18,477.51
STWA Invoice S21-113 June 2021 Taps and Repairs	\$ 7,037.84
STWA Invoice S21-117 Payroll expense for Part-time employee April, May and June 2021	\$ 1,695.01
STWA Invoice S21-119 Payroll expense for Standby Pay for March 25, 2021 through June 30, 2021	\$ 396.07
STWA Invoice S21-121 Reimbursement for Fiber optic phone service (03/19/20 through 06/19/21) and High Touch Technology support (03/01/21 through 06/30/21)	\$ 1,324.42

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

5. All matters pertaining to TxDOT Upgrades on US 77/I69 at CR 2120/FM 772 and from CR 2130 south to CR 2230.
  - Bids for US 77 Waterline Adjustment Project Phase 2
  - Review of Engineer's Recommendation and Award of Bid

Ms. Serrato reviewed bid information on the waterline adjustment projects and reported that the bid opening was held at 2:00 p.m. on July 23, 2021. Two bids were received. She also presented LNV/Ardurra's recommendation to award the bid to Max Underground Construction, LLC with a total base amount of \$422,530.00. Mr. Robertson made a motion to award the bid to Max Underground Construction in the amount of \$422,530, Mr. Zavala seconded and all voted in favor.

6. Loan Application Amount to Submit to the Texas Water Development Board for Reimbursement of Waterline Adjustments and Improvements to Corporation Facilities including Application Filing and Authorize Representative Resolution and Application Affidavit.

The Board discussed needed projects in order to determine the amount to request on the TWDB loan application. The Board decided that painting the elevated storage tank at Pump Station #1 was most urgent and that \$600,000 should be the requested amount. Mr. Zavala made a motion to request \$600,000 to include the US 77 waterline adjustments and painting of the Pump Station #1 elevated storage tank on the Texas Water Development Board loan application. Mr. Hinojosa seconded and the motion passed by unanimous vote for approval of forms signed by Mr. Garcia.

7. Final Update on February 2021 Winter Storm/Freeze Event.

Ms. Serrato reported that the only remaining repair is the 10" valve at Pump Station #1 that staff will replace during off hours. The total expenses resulting from the freeze event is \$4,664.09. The Corporation has received \$3,674.09 from the insurance carrier. Ms. Serrato stated that once the final repair is done, staff will check if the overtime expense can also be covered by insurance. She had nothing further to report.

8. Authorization to send Final Notice of Violation of Tariff to customer without a Cut-Off Valve.

Ms. Serrato presented a draft final notice letter to send to customers in violation of the tariff requirement to install a cut-off valve outside of the Corporation's meter box. Letters informing customers of the requirement have been previously sent out and new customers are informed of the requirement during the application process. Currently, there are two customers in violation of the policy. She requested authorization to use the letter for members that are in violation of the Corporation's policy to install a cut-off valve. Mr. Robertson made a motion to authorize use of the letter as requested. Mr. Zavala seconded. The motion passed by unanimous vote.

10. Review of twenty-six-lot Subdivision called La Conquista Ranch Subdivision, Cesar Silva, Developer, located on CR 2130 and CR 1050, including allowing Developer to contract for extension of distribution lines to the property and within the subdivision.

Ms. Serrato presented information from Mr. Cesar Silva, developer of La Conquista Ranch Subdivision. The proposed 26-lot subdivision is best served by installation of a parallel 3" waterline that will tap into an existing line on CR 2150 and extend north and west for 10,616 lf. Ms. Serrato suggested following the same process used with the King Junior Estates Subdivision by having Mr. Silva hire a contractor for the line installation and having field personnel perform inspections of the construction. She reminded the Board that for King Junior Estates, the developer provided a materials and specifications list as well as a set of plans. In addition, a revised developer's contract was executed outlining these requirements. Mr. Robertson made a motion to allow Mr. Silva to hire a contractor for installation of the line and follow these procedures. Mr. Zavala seconded. All voted in favor.

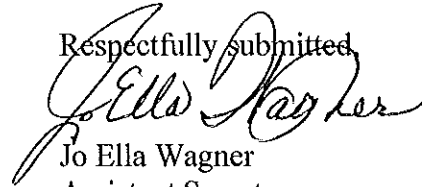
11. Selection of John Marez as RWSC General Manager, effective upon South Texas Water Authority hiring Mr. Marez as Executive Director.

Mr. John Marez introduced himself to the Board and gave reassurance that he is here to work for the RWSC Board. Mr. Robertson made a motion to select Mr. Marez as RWSC General Manager, effective upon South Texas Water Authority hiring Mr. Marez as Executive Director. Mr. Zavala seconded. All voted in favor.

12. Adjournment.

With no further business to conduct, Mr. Zavala made a motion to adjourn the meeting at 6:45 p.m. Mr. Hinojosa seconded and all voted in favor.

Respectfully submitted

A handwritten signature in cursive script, appearing to read "Jo Ella Wagner".

Jo Ella Wagner  
Assistant Secretary