

Lake Palo Pinto Area Water Supply Corporation

Office 4500 N Lakeview Drive, Palo Pinto TX 76484

Board of Directors Regular Meeting July 14, 2025, at 2:00 PM

Meeting held at LPPAWSC office

1. The meeting was called to order by Karen Koonsman at 2:06 PM
2. The prayer was given by Laura Jones.
3. Roll Call of directors: Karen Koonsman, Rick Best, Bruce Rogers, Wayne Campaign, Laura Jones, Harry Romine, and Jerry Streeter were present - a quorum was established.
4. Guests: Dave Jones, a citizen interested in developing a tract of land near the intersection of Breezy Point and Long Dr.
5. Public Comments (Limited to 3 minutes and one speaker per issue): Mr. Jones owns a tract of land that he is interested in subdividing and selling lots for housing; his projections are the development will require up to 40 meters over a period of 3 – 5 years. He attended this meeting to request that the Board guarantees him up to 40 meters if he contributes to required system upgrades.
6. Approval of June 9th, 2025, Regular Meeting Minutes. During the discussion Laura Jones noted that Item 10B, Dunn Dr Pumpstation/Line Upgrade, be amended to read – “..... the recommendation was made by the board to solicit **preliminary** bids..... “ A motion was made by Wayne Campaign to approve the minutes as amended by Laura Jones and seconded by Laura Jones. The motion passed by show of hands, 7 – 0.
7. Approval of the Financial Statement for June 2025 and authorization of expenditure payments for July. A motion to approve was made by Rick Best and seconded by Bruce Rogers. The motion passed by show of hands, 7 – 0.

Checking/Savings

Rounded to the nearest Dollar

	Apr	May	Jun
1090 – Cash Drawer	\$ 168	\$ 168	\$ 168
1020 – 10 YR Reserve Account	\$ 23,456	\$ 23,668	\$ 23,855
1021 – CD #1 10 YR Reserve	\$ 61,068	\$ 61,068	\$ 61,068
1000 – Reserve Account for TWBD Loan #2	\$ 99,654	\$ 99,654	\$ 99,654
1040 – Clearfork – Capital Improvement	\$ 179,867	\$ 179,890	\$ 179,912
1030 – Contingency and Equipment (Santo)	\$ 185,100	\$ 185,149	\$ 185,147
1050 - LPPAWSC Operating Acct	\$ 139,967	\$ 159,962	\$ 187,590
Total Current Assets	\$ 689,280	\$ 709,534	\$ 737,394

8. Approval of Manager’s Report, summary report provided by Chase Lerma: a motion to approve was made by Rick Best and seconded by Bruce Rogers. The motion passed by show of hands, 5 – 0.

System Total Report

	Apr	May	Jun
Water Pumped this month (gals)	3,445,400	2,866,600	3,546,900
Water Sold this month (gals)	2,466,000	1,922,450	2,142,690
Water Used for Plant, Fire, Bulk Sales and Flushing Line (gals)	322,780	241,120	872,750
Leaks	100,000	300,000	50,000
Water Loss	556,620	403,030	481,460
Leaks (%)	3%	10%	1%
Loss (%)	16%	14%	14%
Number of disconnects	-		
New meter install	-		
Total number of accounts	754	754	755
Average usage for active meters	3,271	2550	2838
Average charge for active meters	\$ 103.62	\$ 92.48	\$ 94.51
High water usage revenue	\$ 9,311.72	\$ 2,523.97	\$ 2,830.84
Total current charges	\$ 80,407.94	\$ 71,522.79	\$ 78,469.84

9. Discuss and consider the following:

- A) Insurance Policy Renewal – AIA Insurance Agency forwarded the insurance policy proposal and invoice for LPPAWSC insurance package; which includes Commercial Package (Property, Boiler & Machinery, General Liability, Inland Marine, Crime, and Management Liability), Business Automobile, Excess Liability, Cyber Liability, and Workers' Compensation. A motion to accept the proposal and pay the invoice was made by Bruce Rogers, seconded by Rick Best, motion passed by show of hands 7 – 0.
- B) TWDB Reserve Account – The TWDB accountant previously confirmed that LPPAWSC could purchase a CD with the monies held in the TWDB Reserve Account and use the interest earned by those funds for other legitimate purposes. Our accountant/auditor had recommended sweeping the interest into a separate account to keep it separate from the principle. Kris has reported the bank had confirmed the penalty for redeeming a CD prior to its expiration date was the forfeiture of 1 month's interest and earned interest can be swept monthly into an account of our choice. Currently LPPAWSC must maintain three (3) accounts to guarantee three (3) different loans. Of these accounts one is a NOW account, one is a noninterest-bearing account, and one is a CD. The board discussed investing non-CD accounts into CD accounts and whether to reinvest the monthly interest payments into the CD or whether to sweep the interest into a different account. Harry Romine wants to verify the Auditor's recommendation and learn why she recommended that action rather than reinvesting into the CD.
- C) Dunn Dr Pumpstation/Line Upgrade – The Infrastructure Committee will continue its work on developing a work scope and budget keeping the Board advised of its progress.
- D) Non-Standard Service Contract/Meter Reservation Fees and Terms – Following discussions amongst the Board, this topic was referred to the Infrastructure Committee to propose amending the existing policy to better align with current needs.
- E) Personnel Exit Interview with J. Storms. Laura Jones, Karen Koonsman, and Chase Lerma conducted an exit interview with J. Storms. The interview and actions following Mr. Storms separation from LPPAWSC highlighted several areas of the Personnel Policy that need amending. After conferring with the LPPAWSC lawyer, the Personnel Committee will draft an amendment to the Personnel Policy and report back to the Board.

10: Discussion of items to be included on next month's meeting

- A) TWDB Reserve Account investment
- B) Dunn Dr Pumpstation/Line Upgrade progress report
- C) Non-Standard Service Contract/Meter Reservation Fees and Terms progress report
- D) Personnel Policy Amendment Report

11. Open Discussion - No open discussion

12. Adjournment of Meeting: A motion was made by Rick Best and seconded by Wayne Campaign to adjourn the meeting at 4:00 PM. The Motion passed by show of hands, 7 – 0.

Jerry Streeter
LPPAWSC
Secretary