

Lake Palo Pinto Area Water Supply Corporation

Annual Membership Meeting, March 11, 2023, 10:30 AM

Lake Palo Pinto VFD, Gordon, TX 76453

1. The meeting was called to order by Karen Koonsman at 10:31 AM.
2. The Prayer was offered by Laura Jones.
3. The Pledge of Allegiance was led by Harry Romine.
4. In attendance were 23 persons representing 13 memberships.
5. The 23 in attendance included all seven board members along with Mike Woods the sole new applicant for a board position. We had a quorum.
6. The approval of the minutes requires a correction in section 10, paragraph "d" to read "Each acre foot corresponds to 326,700 gallons. A motion was made by Joe Pizzi to accept the amended minutes and seconded by Jeremy Judd. The motion passed unanimously.
7. The appointed Election Auditor, Sabine Coventry, read the resolution declaring election of all unopposed candidates. Harry Romine, place 5 and Mike Woods, place 6 are appointed to the board. A motion to accept this resolution was made by Susan McGinnis and seconded by Paul Koonsman. The motion was unanimously passed.
8. Update on reports:
 - a. The audit report to the Board of Directors from Boucher, Morgan and Young CPA, was presented by Kim Knox. It states financial statements present fairly, in all material respects, the financial position of the LPPAWSC as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.
 - b. President Karen Koonsman reported on the progress and future plans for the corporation.
 - c. Finance Chair Harry Romine reported on the budget. The corporation has been banking monthly deposits earmarked for capital improvements. The majority of these funds are coming from the high use revenues we charge for larger volume users of water. All of our loans are fully funded and the reserves are met. We have money in the bank and great employees to manage the company.
 - d. Chase Lerma presented the manager's report. The block grant money we have been working on will not happen this year due to circumstances beyond our control but we tried. We have several planned projects as outlined in the President's letter. We wish to pay for our necessary improvements from savings rather than take out a loan. A loan would be quicker but it would make our water bills increase and we are trying hard to not raise the base rate for our water. The price of construction has gone up considerably. The problems regarding the Mineral Wells Water Department and the various

communities they serve does not involve LPPAWSC at all. We buy raw water from the lake and process it in our plant and sell it to our members. Our meter reading system is working well and our software is up to date. The latest freeze did not cause us to have to shut the plant down. The water in the lake is down but the level has stayed above the stage II drought level all last year. Everyone please continue to conserve our water.

e. Engineers Report: The representative from EHT did not attend.

9. Questions and comments: Mr. Howard Huffman

Howard Huffman is the General Manager of the Palo Pinto Municipal Water District #1. The district was created to construct Lake Palo Pinto along with the pipeline and raw water treatment plant in Mineral Wells. Mineral Wells sells treated water to many other area cities. The old Mineral Wells plant needs to be expanded or replaced to furnish more treated water in the future. The LPPAWSC buys raw water the same as Mineral Wells. The LPPAWSC is not close to capacity at this time. The Water District considers the LPPAWSC to be an excellent corporation run by competent people. There is plenty of water for us in the Lake Palo Pinto Area for the foreseeable future.

There was a general discussion about the Turkey Peak Project. The district is almost finished purchasing all of the impoundment property. Next TEXDOT will design the routing plans for moving state highway 4 to the Ward Mountain Road right-of-way. There are many other smaller requirements as with any government project and at the district we are going down a list. A start date still has not been finally decided but planners are about ready to send the prints to the contractors for pricing and scheduling. When the lake is built there will not be any private land ownership around the shore up to the 890 foot elevation level. The Texas Parks and Wildlife Department will require a boat ramp, but there will be no private docks. Plans include a bridge across the bottom of Lake Palo Pinto to take care of access during overflow conditions.

10. Closing Comments: Everyone have a good safe year and conserve water please.

11. Adjournment of meeting: A motion was made by Joe Pizzi to adjourn the meeting. A second was made by Jimmy Jones and the motion carried unanimously at 12:24 PM.

Paul Coventry
LPPAWSC Secretary/Treasurer