

Lake Palo Pinto Area Water Supply Corporation

Office 4500 N Lakeview Drive, Palo Pinto TX 76484

Board of Directors Regular Meeting November 10th, 2025, at 2:00 PM

Meeting held at LPPAWSC office

1. The meeting was called to order by Karen Koonsman at 2:05 PM
2. The prayer was given by Laura Jones.
3. Roll Call of directors: Karen Koonsman, Rick Best, Laura Jones, and Harry Romine were present, 4 present and 3 absent, a quorum was established.
4. Guests: None
5. Public Comments (Limited to 3 minutes and one speaker per issue): None
6. Approval of October 14th, 2025, Regular Meeting Minutes. Rick Best made a motion to approve the minutes with a correction to 10-c. Changing the word compiling to complying. Motion was seconded by Laura Jones. Motion passed by show of hands, 4 – 0.
7. Approval of the Financial Statement for October, 2025 and authorization of expenditure payments for November, 2025. After a brief discussion and explanation of some expenditures a motion to approve was made by Laura Jones and seconded by Rick Best. The motion passed by show of hands, 4 – 0.

Checking/Savings

Rounded to the nearest Dollar

	2025		
	Aug	Sep	Oct
1090 – Cash Drawer	\$ 168	\$ 168	\$ 168
1020 – 10 YR Reserve Account	\$ 24,223	\$ 24,411	\$ 24,592
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
1030 – Contingency and Equipment (Santo)	\$ 185,194	\$ 177,852	\$ 177,876
1040 – Clearfork – Capital Improvement	\$ 182,058	\$ 182,080	\$ 182,104
1050 - LPPAWSC Operating Acct	\$ 181,852	\$ 200,199	\$ 203,752
Total Current Assets	\$ 734,218	\$ 745,432	\$ 749,214

8. Approval of Manager's Report, summary report provided by Chase Lerma: a motion to approve was made by Laura Jones and seconded by Harry Romine. The motion passed by show of hands, 4 – 0.

System Total Report

	2025		
	Aug	Sep	Oct
Water Pumped this month (gals)	4,543,400	3,723,800	3,478,300
Water Sold this month (gals)	3,593,610	2,962,710	2,720,350
Water Used for Plant, Fire, Bulk Sales and Flushing Line (gals)	40600	6780	296420
Leaks	325,000	140,000	30,000
Water Loss	584,190	614,310	431,530
Leaks (%)	7%	4%	1%
Loss (%)	13%	16%	12%
Number of disconnects	0	1	0
New meter install	0	0	1
Total number of accounts	754	754	754
Average usage for active meters	4,766	3,929	3,608
Average charge for active meters	\$ 114.70	\$ 106.09	\$ 102.05
High water usage revenue	\$ 13,660.40	\$ 9,045.20	\$ 6,642.40
Total current charges	\$ 89,514.98	\$ 87,148.83	\$ 87,346.97

9. Discuss and consider the following:

- A) Dunn Dr. Pumpstation/Line Upgrade Project Status Update – and EHT has submitted TxDOT permit and awaiting approval. Actual construction is expected to start in December.
- B) Non-Standard Service Contract/Meter Reservation Fees and Terms – Infrastructure committee will meet to review adding the terms to the Tariff.
- C) Capital Improvement Fee for Capital Projects – The General Manager has reached out to EHT for guidance and is awaiting a response. Infrastructure Committee will meet to discuss the recommendations from the Engineers and consult with the Corporation's Legal Teams to ensure the proposed Tariff incorporates a means to raise funds for future capital projects.
- D) 2026 Budget – Finance Committee Recommendations – Harry Romine made a motion from recommendations discussed during the Finance Committee meeting for the 2026 water rates as follows. Meter base charge to increase by 3% plus a \$3.00 increase. The \$3.00 per meter will be transferred to a separate account and used to fund water system upgrades in an attempt to avoid having to take loans with interest to complete necessary projects.

Water Base Rate Recommendations:

Base				
Meter Size	Current	Increase	Additional Base Increase	New
5/8" - 3/4"	\$73.02	3.0%	\$3.00	\$78.21
1"	\$168.99	3.0%	\$3.00	\$177.06
1 1/2"	\$337.95	3.0%	\$3.00	\$351.09
2"	\$540.71	3.0%	\$3.00	\$559.93

Consumption Rate Recommendations:

Consumption (\$/1000 Gal)			
Gallons	Current	Increase	New
0 - 10,000	\$6.48	3.0%	\$6.67
10,001 - 20,000	\$9.21	3.0%	\$9.49
20,001 - 30,000	\$15.36	5.0%	\$16.13
30,001 - 40,000	\$20.24	5.0%	\$21.25
40,001 - 50,000	\$26.48	5.0%	\$27.80
Over 50,000	\$33.33	5.0%	\$35.00

Motion was seconded by Rick Best. Motion passed by show of hands, 4 – 0. New Rates will be effective for December billing cycle for bills due January 15th, 2026.

- 10: Items noted below are to be included on next month's meeting along with any new subjects that arise during the month of November and are published in the meeting agenda.

- A) Dunn Dr Pumpstation/Line Upgrade progress report
- B) Non-Standard Service Contract/Meter Reservation Fees and Terms progress report
- C) Capital Improvement Fee for Capital Projects
- D) Personnel Policy
- E) Credentials Committee

11. Open Discussion – Kris mentioned having James Smith come from TRWA to do a tabletop refresher for new board members after election.

12. Adjournment of Meeting: A motion was made by Rick Best and seconded by Laura Jones to adjourn the meeting at 3:50 PM. The Motion passed by show of hands, 4 – 0.

Karen Koonsman
LPPAWSC
President