

RICARDO WATER SUPPLY CORPORATION
Regular Meeting Minutes
March 4, 2021
(This meeting was held remotely by phone and Zoom.)

Board Members Present:

Baldemar Garcia
Robert Zavala
Oliver Hinojosa
Frank Escobedo
James Fischer
Robert Garza

Board Members Absent:

James Fischer
Tim Robertson

Staff Present:

Carola G. Serrato
Frances De Leon
Jo Ella Wagner
Dony Cantu
Nigel Gomez

Guests Present:

None

1. Call to Order.

Board President Baldemar Garcia called the Regular Meeting of the Ricardo Water Supply Corporation Board of Directors to order at 5:31 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. Escobedo made a motion to approve the minutes of the January 13, 2021 Regular Meeting as presented. Mr. Garza seconded and the motion carried.

4. Treasurer's Report/Payment of Bills.

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

Treasurer's Report as of December 31, 2020

Account Activity for General Account for December 1, 2020 to December 31, 2020

Account Activity for Operations Account for December 1, 2020 to December 31, 2020

TEXPOOL Participant Statement for 12/01/2020 – 12/31/2020 for General Account

TEXPOOL Participant Statement for 12/01/2020 – 12/31/2020 for Membership Deposit Account

TEXPOOL Participant Statement for 12/01/2020 – 12/31/2020 for USDA Reserve Account

TexSTAR General Account Statement for 12/01/2020 – 12/31/2020

The following bills were presented for payment:

| | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| STWA Invoice S21-006 December 2020 Water Usage, Water Cost and Handling Charge | \$24,322.21 |
| STWA Invoice S21-007 December 2020 General and Administration | \$17,913.85 |
| STWA Invoice S21-011 December 2020 Taps and Repairs | \$ 2,961.00 |
| STWA Invoice S21-014 Payroll expense for Part-time Employee for October, November and December 2020 | \$ 1,502.24 |
| STWA Invoice S21-016 Payroll expense for Stand By for October 1, 2020 through December 31, 2020 | \$ 367.21 |
| STWA Invoice S21-018 Reimburse for Fiber optic phone service (09/19/20 through 12/19/20) and High Touch Technology support (10/01/20 through 12/31/20) | \$ 1,318.42 |
| STWA Invoice S21-027 January 2021 Water Usage, Water Cost and Handling Charge | \$24,265.07 |
| STWA Invoice S21-028 January 2021 General and Administration | \$19,508.14 |
| STWA Invoice S21-032 January 2021 Taps and Repairs | \$ 4,394.04 |
| Willatt & Flickinger, PLLC. Professional Services – February 2021 | \$ 306.00 |

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

5. RWSC Annual Membership Meeting.

- Selection of Election Auditor
- Approval of agenda and meeting packet for Annual Membership Meeting
- Resolution 21-02. Resolution declaring unopposed candidates of Ricardo Water Supply Corporation elected.

Ms. Serrato reported that two applications for Board of Director were received by the March 1st deadline. She added that since there are only two positions up for election, the Board can adopt Resolution 21-02 declaring the two candidates, James Fischer and Robert Zavala, elected. If adopted by the Board, Resolution 21-02 will be read into the record at the Annual Membership

meeting on April 13th. She also explained that because no election will be necessary, an Election Auditor does not need to be selected. She presented the meeting notice and agenda for the Annual Membership Meeting and recommended approval of the documents which need to be mailed out by March 12th. Mr. Hinojosa made a motion to adopt Resolution 21-02 and approve the meeting notice and agenda. Mr. Garza seconded and all voted in favor.

6. All matters pertaining to TxDOT Upgrades on US 77/I69 at CR 2120/FM 772 and from CR 2130 south to CR 2230.

Ms. Serrato presented a preliminary estimate totaling \$505,000 from LNV/Ardurra for the construction of the waterline relocations needed for the TxDOT upgrades along US 77/I 69. She also reviewed Texas Water Development Board funding options for 20 and 30-year loans. She suggested that if funds were used to cap off the USDA loan Reserve Fund, then the current \$982 monthly payment could be directed towards a new loan payment. She reminded the Board that using TxDOT's joint bidding process will require paying an additional 25% so the Corporation will be required to pay \$631,875 upfront, but the Board still has the option of going through the traditional bidding process instead. After discussing the options, Mr. Zavala made a motion to proceed with the standard process of bidding out the project instead of participating in TxDOT's joint bidding. Mr. Garza seconded. All voted in favor.

7. February 2021 Winter Storm/Freeze Event.

Ms. Serrato provided a report on the February freeze event and added that she also reviewed the information with the NWSC and STWA Boards at their meetings held earlier in the week. She stated that work on the damage continues and there is still work to be done but added that the biggest problem during the freeze appears to be that the needed flow was not being provided by the City of Corpus Christi. Mr. Zavala asked about FEMA assistance and was informed that Finance Manager Jo Ella Wagner has participated in a FEMA presentation in preparation of filing any necessary documentation. Ms. Serrato reviewed a chart listing the damage and problems at the pump stations. She noted that at Pump Station #1, a 10-inch valve on the meter run cracked and needs to be replaced. All of the PVC plumbing in the disinfection buildings cracked and leaked, flow switches on the ground storage and elevated tanks stopped working, the pumps stopped working on auto and the level control and copper line on the elevated storage tank froze. Most of these items have been replaced or fixed. At Pump Station #2, the southeast ground storage tank cracked at the top. In addition, the flow switch on the EST was not working and the meter run froze but both are back to normal operations. At Pump Station #3, the meter run piping to the ground storage tank separated and needs repair. The pump station has been taken offline and customers are being served by Pump Station #1. She added for two days RWSC water was receiving water through the City of Kingsville's connection.

Ms. Serrato also reviewed the hours worked by the field staff from February 11th to February 24th as they prepared for the storm and continued working during and after the storm to restore and maintain service. She reported that approximately 88 overtime hours were charged to STWA, 81 hours were charged to RWSC and 182 were charged to NWSC. She said that most customers were understanding and appreciative of the crews but that some people called employees directly or stopped at the pump stations instead of calling the office to report issues. Mr. Zavala

suggested sending a letter to thank STWA employees for their work during this event and showing appreciation for their dedication to maintain service for RWSC customers. Mr. Escobedo suggested thanking the customers for their patience and making sure they understand that proper protocol should be followed during emergencies. Ms. Wagner commented that office staff also handled the situation well and were able to calm down and reassure customers. Ms. Serrato stated that the letter could be included with the packet for the annual meeting. Mr. Escobedo made a motion authorizing Mr. Garcia to construct a letter commending field staff for their dedication and capturing the Board's appreciation for STWA's handling of the situation. Mr. Garza seconded the motion. All voted in favor.

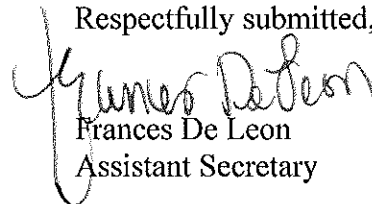
8. Appointment of representative for STWA Executive Director replacement.

Ms. Serrato stated that in preparation for her retirement, the STWA Board has hired a consulting firm to assist with recruitment of an Executive Director. The full STWA Board and Ms. Serrato will be involved in the process. STWA requested that the Nueces Water Supply Corporation and Ricardo Water Supply Corporation select a representative each to serve in the process. Ms. Serrato requested that the RWSC Board select a person to represent RWSC. Mr. Zavala made a motion to appoint Mr. Garcia as RWSC's representative in the selection process of a new executive director. Mr. Escobedo seconded. All voted in favor.

9. Adjournment.

With no further business to conduct, Mr. Escobedo made a motion to adjourn the meeting at 6:28 p.m. Mr. Garza seconded and all voted in favor.

Respectfully submitted,


Frances De Leon
Assistant Secretary