

RICARDO WATER SUPPLY CORPORATION

2302 E. SAGE RD.

KINGSVILLE, TEXAS 78363

Office (361) 592-3952 Fax (361) 592-5965

MEMORANDUM

TO: RWSC Membership
FROM: Baldemar Garcia, President
DATE: March 5, 2021
SUBJECT: Annual Membership Meeting

An Annual Membership meeting of the Ricardo Water Supply Corporation is scheduled for:

Tuesday, April 13, 2021

5:30 p.m.

**South Texas Water Authority Boardroom
2302 East Sage Road, Kingsville, Texas**

PLEASE NOTE: THIS MEETING WILL BE HELD BY REMOTE ACCESS ONLY IN ACCORDANCE WITH THE MARCH 16, 2020 ORDER BY GOVERNOR ABBOTT TEMPORARILY SUSPENDING CERTAIN REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT TO ADVANCE THE GOAL OF LIMITING FACE-TO-FACE MEETINGS TO SLOW THE SPREAD OF COVID-19. NO PERSONS WILL BE AT THE MEETING LOCATION AND NO EQUIPMENT WILL BE AT THE MEETING FOR ACCESS TO THE MEETING. HOWEVER, MEMBERS OF THE PUBLIC MAY ACCESS THIS MEETING BY TELEPHONE AND PARTICIPATE IN THE MEETING BY CALLING ONE OF THE FOLLOWING TOLL-FREE NUMBERS AND ENTERING THE MEETING ID AND PASSWORD BELOW:

(877) 853 5257 OR (888) 475 4499

MEETING ID: 822 3634 1141

PASSWORD: 016238

Agenda

1. Call to order.
2. Citizen comments.
3. Approval of Annual Membership Meeting 2020 minutes.
4. Election of Directors/Resolution 21-02 declaring unopposed candidates of Ricardo Water Supply Corporation elected.
5. Review of proposed audit for Fiscal Year 2020.
6. **Resolution 21-03.** Resolution accepting the Fiscal Year 2020 audit prepared by John Womack & Co., P.C. of Kingsville.
7. Adjournment.

BG/CGS/fdl

This meeting notice was posted on RWSC's website, www.ricardowsc.com, and on indoor and outdoor bulletin boards at RWSC's administrative offices, 2302 East Sage Road, Kingsville, Texas at 2:30 p.m. on April 9, 2021.

Francis DeLeon
Assistant Secretary

RICARDO WATER SUPPLY CORPORATION
Annual Meeting
April 14, 2020

MINUTES

Board Members Present:

Baldemar Garcia
Robert Zavala
Oliver Hinojosa
James Fischer
Robert Garza
Timothy Robertson

Board Members Absent:

Frank Escobedo

Membership Present:

None

Staff Present:

Carola G. Serrato
Frances De Leon
Jo Ella Wagner

Guests Present:

Luke Womack, John Womack & Co., P.C.,
by telephone

1. Call to Order.

Mr. Baldemar Garcia, Board President, called the Annual Meeting to order at 5:30 p.m. at the STWA Boardroom in Kingsville, Texas. A quorum was present.

2. Citizen comments.

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

3. Approval of Annual Membership 2019 Minutes.

The minutes of the April 9, 2019 Annual Meeting were presented for approval. Mr. Garza made a motion to approve the minutes as presented. Mr. Zavala seconded the motion and all voted in favor.

4. Election of Directors/Resolution 20-01 declaring unopposed candidates of Ricardo Water Supply elected.

Ms. Serrato read Resolution 20-01 into the record. Resolution 20-01 was approved at the March 3, 2020 Board Meeting and declared unopposed candidates Baldemar Garcia, Robert Garza and Timothy Robertson elected to the Board of Directors.

5. Review of proposed audit for Fiscal Year 2019.

Mr. Luke Womack, John Womack & Co., P.C. presented the Fiscal Year 2019 Audit by phone. He reviewed the Operating Revenue and Expenses and reported that the Corporation is fiscally sound and that the audit was consistent with prior years. He noted that the only problem he sees is with the high amount of water loss. He added that financial records are in order. Ms. Wagner

provided the Board with the Board of Directors Communication Letter. The Board discussed ways to minimize the water but had no questions regarding the audit.

6. Resolution 20-02. Resolution accepting the Fiscal Year 2019 Audit prepared by John Womack & Co., P.C. of Kingsville.

Mr. Robertson made a motion to approve Resolution 20-02 accepting the Fiscal Year 2019 Audit and Mr. Fischer seconded. The motion carried.

7. Adjournment.

With no further business to conduct, Mr. Hinojosa made a motion to adjourn the meeting at 5:40 p.m. Mr. Zavala seconded. All voted in favor.

Respectfully submitted,


Frances De Leon
Assistant Secretary

RICARDO WATER SUPPLY CORPORATION

Resolution 21-02

RESOLUTION DECLARING UNOPPOSED CANDIDATES OF RICARDO WATER SUPPLY CORPORATION ELECTED

WHEREAS, Ricardo Water Supply Corporation posted notice of the opportunity for candidates to submit applications to run for two (2) positions on its Board of Directors pursuant to Texas Water Code Section 67.0052(b); and

WHEREAS, only two (2) people submitted applications for these open positions, thus creating an unopposed election for each position pursuant to Texas Water Code Section 67.0055;

NOW, THEREFORE, BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF RICARDO WATER SUPPLY CORPORATION DECLARES ELECTED TO THESE POSITIONS:

James Fischer
Robert Zavala

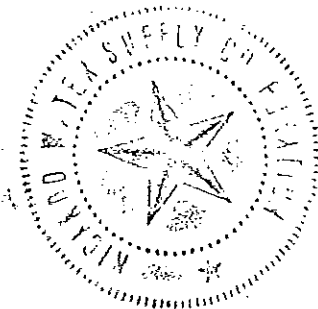
The Board of Directors so orders that this resolution be posted at the Corporation's main office and read into the record at the Corporation's annual meeting, pursuant to Texas Water Code Section 67.0055.

PASSED AND APPROVED this 4th day of March, 2021.


BALDEMAR GARCIA, PRESIDENT

ATTEST:


OLIVER HINOJOSA, SECRETARY/TREASURER



RICARDO WATER SUPPLY CORPORATION

Resolution 21-03

A RESOLUTION ACCEPTING THE FISCAL YEAR 2020 AUDIT PREPARED BY JOHN WOMACK & CO., P.C. OF KINGSVILLE, TEXAS.

WHEREAS, the Ricardo Water Supply Corporation is a functioning Water Supply Corporation organized under Article 1434a of the Revised Civil Statutes of Texas of 1925, and

WHEREAS, an annual audit is part of generally accepted accounting principles and is highly recommended by the Texas Commission on Environmental Quality, and

WHEREAS, the Corporation has received and reviewed the Fiscal Year 2020 Audit.

NOW, THEREFORE, BE IT RESOLVED that the Ricardo Water Supply Corporation accepts the Fiscal Year 2020 audit prepared by John Womack & Co., P.C. of Kingsville, Texas.

Duly adopted this 13th day of April, 2021.

BALDEMAR GARCIA, PRESIDENT

ATTEST:

OLIVER HINOJOSA, SECRETARY/TREASURER

RICARDO WATER SUPPLY CORPORATION

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2020 AND 2019

RICARDO WATER SUPPLY CORPORATION

Ricardo Water Supply Corporation
Annual Financial Report
for the Years Ended December 31, 2020 and 2019

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RICARDO WATER SUPPLY CORPORATION

Financial Section

RICARDO WATER SUPPLY CORPORATION

JOHN WOMACK & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

JOHN L. WOMACK, CPA
MARGARET KELLY, CPA

P.O. BOX 1147
KINGSVILLE, TEXAS 78364
(361) 592-2671
FAX (361) 592-1411

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Ricardo Water Supply Corporation
2302 E. Sage Road
Kingsville, Texas 78363

Report on the Financial Statements

We have audited the accompanying financial statements of Ricardo Water Supply Corporation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020 and 2019, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

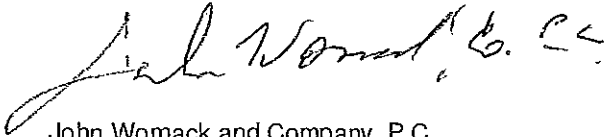
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ricardo Water Supply Corporation as of December 31, 2020 and 2019, and the results of its operations and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying financial statements and supporting schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "John Womack, Co. P.C.", written in a cursive style.

John Womack and Company, P.C.
Kingsville, Texas
April 6, 2021

RICARDO WATER SUPPLY CORPORATION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019

EXHIBIT A-1

	<u>December 31,</u> 2020	<u>December 31,</u> 2019
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 865,603	\$ 748,001
Accounts receivable - customers	96,638	84,013
Accounts receivable - other	28,109	--
Inventory	<u>90,836</u>	<u>110,880</u>
Total Current Assets	<u>1,081,186</u>	<u>942,894</u>
Restricted Assets:		
Cash and cash equivalents:		
Membership deposits	110,072	98,278
Reserve account - cash	<u>85,904</u>	<u>73,729</u>
Total Restricted Assets	<u>195,976</u>	<u>172,007</u>
Property and Equipment:		
Utility plant (net) (Note A & C)	<u>4,516,477</u>	<u>4,442,821</u>
TOTAL ASSETS	<u>5,793,639</u>	<u>5,557,722</u>
LIABILITIES		
Current Liabilities:		
Accounts payable and accrued expenses	115,322	128,271
Texas Commission on Environmental Quality fees payable	<u>4,393</u>	<u>4,009</u>
Total Current Liabilities	<u>119,715</u>	<u>132,280</u>
Restricted Liabilities:		
Accrued bond interest	5,079	5,079
Current portion of bonds payable	35,436	34,219
Membership deposits	<u>109,604</u>	<u>101,239</u>
Total Restricted Liabilities	<u>150,119</u>	<u>140,537</u>
Long-Term Liabilities:		
USDA Bonds payable, net of current portion	<u>2,016,066</u>	<u>2,051,534</u>
Total Long-Term Liabilities	<u>2,016,066</u>	<u>2,051,534</u>
TOTAL LIABILITIES	<u>2,285,900</u>	<u>2,324,351</u>
NET POSITION		
Unrestricted Net Position:		
Contributed capital (Note A)	1,801,321	1,755,810
Unrestricted Net Assets	<u>1,706,418</u>	<u>1,477,561</u>
TOTAL NET POSITION	<u>\$ 3,507,739</u>	<u>\$ 3,233,371</u>

The accompanying notes are an integral part of this statement.

RICARDO WATER SUPPLY CORPORATION
STATEMENT OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2020 AND 2019

EXHIBIT A-2

	<u>December 31,</u> 2020	<u>December 31,</u> 2019
OPERATING REVENUES:		
Water sales	\$ 892,923	\$ 811,101
Other operating income	31,746	50,462
	<u>924,669</u>	<u>861,563</u>
OPERATING EXPENSES:		
Water service	322,928	358,354
Water samples	3,357	3,489
Meter reading	71,101	60,609
Depreciation and amortization	196,655	188,882
Dues	3,832	4,157
Insurance	17,349	17,720
Legal and accounting	6,410	6,461
Engineering	300	300
Other professional services	2,500	2,512
Miscellaneous	5,165	3,442
Postage	5,630	6,208
Administration	80,406	74,631
Telephone	4,291	3,757
Repairs and maintenance	183,898	151,668
Supplies	4,476	4,564
Bad debt expense	388	418
	<u>908,686</u>	<u>887,172</u>
Total Operating Expenses	908,686	887,172
Net Operating Income	<u>15,983</u>	<u>(25,609)</u>
NON-OPERATING REVENUES (EXPENSES):		
Interest income	4,242	18,614
Intergovernmental reimbursement	281,085	--
Governmental asset conveyance	--	70,799
Interest expense	(72,453)	(73,630)
	<u>212,874</u>	<u>15,783</u>
Total Non-operating Revenues (Expenses)	212,874	15,783
CHANGE IN NET ASSETS	<u>\$ 228,857</u>	<u>\$ (9,826)</u>
	Unrestricted	Contributed
	Net Assets	Capital
Balance, December 31, 2018	\$ 1,487,387	\$ 1,727,119
Contributed Capital Additions, 2019	--	28,691
Change in Net Assets, 2019	(9,826)	--
Balance, December 31, 2019	1,477,561	1,755,810
Contributed Capital Additions, 2020	--	45,511
Change in Net Assets, 2020	<u>228,857</u>	<u>--</u>
Balance, December 31, 2020	<u>\$ 1,706,418</u>	<u>\$ 1,801,321</u>

The accompanying notes are an integral part of this statement.

RICARDO WATER SUPPLY CORPORATION

 STATEMENT OF CASH FLOWS
 DECEMBER 31, 2020 AND 2019

EXHIBIT A-3

	December 31 2020	December 31 2019
Cash Flows from Operating Activities:		
Cash Received from Customers	\$ 892,300	\$ 862,280
Cash Payments to Other Suppliers for Goods and Services	(704,552)	(710,094)
Net Cash Provided (Used) by Operating Activities	187,748	152,186
Cash Flows from Capital and Related Financing Activities:		
Acquisition or Construction of Capital Assets	(270,311)	(63,698)
Principal and Interest Paid	(106,704)	(106,705)
Intergovernmental Reimbursements	281,085	--
Contributed Capital	45,511	28,691
Net Cash Provided (Used) for Capital & Related Financing Activities	(50,419)	(141,712)
Cash Flows from Investing Activities:		
Interest and Dividends on Investments	4,242	18,614
Net Cash Provided (Used) for Investing Activities	4,242	18,614
Net Increase (Decrease) in Cash and Cash Equivalents	141,571	29,088
Cash and Cash Equivalents at Beginning of Year	920,008	890,920
Cash and Cash Equivalents at End of Year	\$ 1,061,579	\$ 920,008
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income (Loss)	\$ 15,983	\$ (25,609)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities		
Depreciation	196,655	188,882
Change in Assets and Liabilities:		
Decrease (Increase) in Receivables	(40,734)	(4,148)
Decrease (Increase) in Inventories	20,044	(15,219)
Increase (Decrease) in Accounts Payable	(12,565)	3,415
Increase (Decrease) in Member Deposits	8,365	4,865
Total Adjustments	171,765	177,795
Net Cash Provided (Used) by Operating Activities	\$ 187,748	\$ 152,186
Cash and cash equivalents	\$ 865,603	\$ 748,001
Restricted cash	110,072	98,278
Restricted cash - USDA Note	85,904	73,729
	\$ 1,061,579	\$ 920,008
Non-Cash Item:		
Revenue from Conveyance of Asset	\$ --	70,799

The accompanying notes are an integral part of this statement.

RICARDO WATER SUPPLY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020 AND 2019

A. Nature of Operations and Summary of Significant Accounting Policies

The Ricardo Water Supply Corporation (the Corporation) is a member-owned non-profit corporation incorporated September 18, 1964, pursuant to the provisions of the Texas Revised Annotated, Article 1434A as supplemented by the Texas Non-Profit Corporation Act, Texas Revised Civil Statutes Annotated, Article 1396, for the purpose of furnishing a potable water utility service. Corporation operating policies, rates, tariff, and regulations are formulated and effected by a seven-member board of directors elected by members of the Corporation. All profits arising from the operation of such business shall be paid out annually to persons who have, during the past year, transacted business with the Corporation, in direct proportion to the amount of business transacted. No such dividends shall be paid while any indebtedness of the Corporation remains unpaid, and provided also that the Directors of the Corporation may allocate to a reserve fund such amounts of the annual income as they deem necessary for maintenance, upkeep, operation and replacements, emergency repairs, and for deficiencies in income necessary to meet debt service costs. For financial statement purposes, the accounting records are maintained on the accrual basis of accounting.

Articles of Incorporation

The Articles of Incorporation were adopted on September 18, 1964, which establishes the make-up of the Board of Directors, provides for annual and regular meetings, and other important regulations of the water system.

By-Laws

The Corporation has adopted a set of by-laws which describes the duties of the officers of the Board, provisions for maintaining funds, definition of the fiscal year, and the rights of the membership.

Accounting Policies

(1) Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

(2) Cash and Cash Equivalents

Cash and cash equivalents, in the accompanying balance sheet, includes amounts in demand deposits as well as debt securities with a maturity date of within ninety days of the date of purchase. Management considers investments in public funds investment pools to be cash equivalents due to their high liquidity.

(3) Accounts Receivable

Accounts receivables are stated at the amount management expects to collect from outside balances. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to bad debt and a credit to the applicable accounts receivable.

(4) Inventory

Inventory is valued at the lower of cost (first-in, first-out) or market. Inventory consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are used.

(5) Memberships/Contributed Capital

Monies paid in as memberships are reflected as membership deposits, since they are refundable when service is terminated. Tap and contributed capital fees, which are collected when each member joins, are recorded at that time as contributed capital, since they are not refundable once service is provided.

RICARDO WATER SUPPLY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020 AND 2019

(6) Utility Plant

The cost of additions to utility plant and their renewals and betterments are capitalized. The Corporation will capitalize those costs greater than or equal to \$1,000. For financial statement purposes, the Corporation provides for depreciation by use of the straight line method. The rates are intended to distribute the cost of depreciable properties over their estimated useful lives. Maintenance repairs and renewals which neither materially add to the value of property nor appreciably prolong its life are charged to expenses as incurred. Gains or losses on disposition of property and equipment are included in the Statement of Revenues, Expenses, and Changes in Retained Earnings. The cost of capitalized assets are stated at cost or fair market value if contributed. Estimated useful lives are as follows:

Transmission Lines	5 to 40 years
Engineering	40 years
Operating Equipment	20 years
Office Equipment	5 years

Impairment losses related to capital assets are recognized and measured when there has been a significant, unexpected decline in the service utility of capital assets. The events or changes in circumstances which lead to impairment determinations are not considered to be normal or ordinary. The service utility of a capital asset is the usable capacity which, at acquisition, was expected to be used or provide service. Common indicators of impairment include - evidence of physical damage where the level of damage is such that restoration efforts are needed to restore service utility; enactment of laws or approval of regulations as well as changes in environmental factors; technological developments, or other evidence of obsolescence; changes in the manner or duration of use of capital assets; or construction stoppage due to lack of funding. There were no impairment charges during fiscal year 2020 nor during fiscal year 2019.

(7) Estimates

Preparation of the financial statements in conformity with generally accepted accounting principles requires the use of management's estimates.

B. Cash and Cash Equivalents

Cash accounts included in the financial statements are maintained at institutions which are covered by the Federal Deposit Insurance Corporation. The depository bank deposits for safekeeping and trust with the Ricardo Water Supply Corporation's agent bank pledged securities in the amount sufficient to protect its funds on a day-to-day basis. The pledge of securities is waived only to the extent of the depository bank's dollar amount of FDIC insurance. Ricardo Water Supply Corporation's cash deposits at December 31, 2020 and 2019, were entirely covered by FDIC insurance or by collateral held by their agent bank. Cash equivalents not included in the above depository contract include \$677,999 in Texpool and \$299,551 in TexSTAR. These funds are highly liquid pooled investments and market value closely approximates cost.

Public funds investment pools in Texas (Pools) are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (the "Act") Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to : 1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; 2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service; and 3) maintain the market value of its underlying investment portfolio within one half of one percent of the value of its shares.

The Corporation's investments in Pools are reported at an amount determined by the fair value per share of the Pool's underlying portfolio, unless the Pool is 2a7-like, in which case they are reported at share value. A 2a7-like Pool is one which is not registered with the Securities and Exchange Commission (SEC) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940.

RICARDO WATER SUPPLY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020 AND 2019

TexPool

The Corporation has invested approximately 38% of its cash with TexPool. Pursuant to subchapter G of chapter 404 of the Interlocal Cooperation Act (the "Act"), the Comptroller of Public Accounts (the "Comptroller") administers the Texas Local Government Investment Pools (the "TexPool Portfolios") as public funds investment pools through the Texas Safekeeping Trust Company (the "Trust Company"). The Comptroller and the Trust Company have contracted with Federated Investors, Inc. ("Federated"), as administrator and investment manager for the TexPool Portfolios.

The purpose of TexPool is to offer a safe, efficient, and liquid investment alternative to local governments in the State of Texas. As required by the Act, the investment objectives of TexPool in order of priority are 1) preservation and safety of principal, 2) liquidity, and 3) yield. Principal is protected and market and credit risks minimized by investing in a diversified pool of assets of high credit quality. Actual risks are minimized by adequate collateralization and use of delivery versus payment procedures.

Texpool has the following authorized investments -

1. Obligations of the United States, its agencies, or instrumentalities with a maximum final stated maturity limited to 297 days for fixed rate securities and 24 months for variable rate notes.
2. Fully collateralized repurchase agreements or reverse repurchase agreements (i) with defined termination dates, (ii) secured by obligations of the United States, its agencies, or its instrumentalities, including certain mortgage backed securities, (iii) that require purchased securities to be pledged to the investing entity, in the entity's name, and deposited at the time of investment with the investing entity or a third party, and (iv) that are placed through primary government securities dealers, as defined by the Federal Reserve, or a financial institution doing business in the State of Texas.
3. No-load money market mutual fund that (i) is registered with and regulated by the Securities and Exchange Commission, (ii) provides a prospectus and other information required by the Securities Exchange Act of 1934 or the Investment Company Act of 1940, (iii) maintains a dollar-weighted average stated maturity of 90 days or fewer, and (v) includes in its investment objectives the maintenance of a stable net asset value of \$1.00 for each share.
4. TexPool may engage in a securities lending program that complies with the following:
 - a. the value of the securities loaned, including accrued interest, must be fully collateralized by (i) government securities, (ii) irrevocable letters of credit issued by a bank organized under U.S. or state law and continuously rated at least A or its equivalent by at least one NRSRO, or (iii) cash invested in government securities, commercial paper, mutual funds, or investment pools authorized by the Act;
 - b. the loan must be terminable at any time;
 - c. the loan terms must require that the collateral be pledged to the investing entity, held in its name, and deposited with the investing entity or a third party selected and approved by the investing entity;
 - d. the loan must be placed through primary dealers or financial institutions doing business in the State; and
 - e. the loan agreement must have a term of one year or less.

As required by section 2256.009 of the Act, TexPool cannot invest in the following:

1. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;

RICARDO WATER SUPPLY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020 AND 2019

2. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
3. Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and
4. Collateralized mortgage obligations that the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

In addition, TexPool will not invest in derivatives, commercial paper, or certificates of deposit. Diversification limitations govern investments and are applied at the date of purchase.

- * Up to 100% of TexPool assets may be invested in government obligations of the United States, its agencies, or instrumentalities. However, no more than 60% of the portfolio may be invested in variable rate notes.
- * Up to 100% of TexPool assets may be invested in repurchase agreements. No more than 25% of TexPool assets may be invested in term repurchase agreements and no more than 5% of TexPool assets may be invested in term repurchase agreements with maturities exceeding 90 days.
- * Up to 15% of the TexPool assets may be invested in approved money market funds. No more than 10% of TexPool assets may be invested in a single mutual fund.

Credit Risk: Credit risk is the possibility that the issuer of a security will fail to make timely payments of interest or principal. In general, the lower the credit quality of a security, the higher the yield, all other factors being equal. To minimize credit risk, TexPool's investment policy allows the portfolio's investment manager, Federated, to only invest in obligations of the U.S. Government, its agencies, and instrumentalities; repurchase agreements; no-load AAAm money market mutual funds registered with the Securities and Exchange Commission; and securities lending programs.

The credit risk associated with investments in direct obligations of the United States is low. Obligations issued or guaranteed by Federal agencies of government-sponsored enterprises are not direct obligations of the United States and offer more varied credit risk. Because the United States Government is not obligated to provide support to its instrumentalities, TexPool's investment manager will invest in obligations issued by an agency or instrumentality only after analysis that credit risk with respect to the issuer is minimal.

TexPool's investment manager will also invest in repurchase agreements and reverse repurchase agreements which are documented through the use of a Bond Market Association, formerly the Public Securities Association, approved Master Repurchase Agreement and collateralized by obligations of the United States, its agencies, instrumentalities or other obligations on which the principal and interest are unconditionally guaranteed or insured by the United States. Repurchase agreements and reverse repurchase agreement transactions will only be placed with primary government securities dealers or financial institutions doing business in the State of Texas, and proceeds received under reverse repurchase agreements will be reinvested in securities with the same maturity as the term of the reverse agreement.

Market Risk: Market risk is the potential for a decline in market value due to rising interest rates. For example, a bond or other security issued or backed by the United States Government is guaranteed only as to the timely payment of interest and principal; its market price is not guaranteed and will fluctuate in value as interest rates change. In general, the market value of a bond varies inversely with interest rates. If interest rates rise, then market values fall. If interest rates fall, then market values rise. Also, values typically fluctuate more for longer-term securities than for shorter-term securities.

RICARDO WATER SUPPLY CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2020 AND 2019

TexPool's portfolio has low market risk due to restrictions on weighted average maturity and maximum maturity of any one investment. TexPool's investment manager will maintain the weighted average maturity of the portfolio at 60 days or less, no fixed rate security will exceed 297 days in maturity, and no variable rate note will exceed 24 months in maturity. Federated is required to maintain a stable \$1.00 net asset value and must take immediate action if the net asset value of the portfolio falls below \$0.995 or rises above \$1.005. These limitations are designed to minimize market risk.

TexSTAR

The Corporation invests in the Texas Short Term Asset Reserve Program (TexSTAR), which has been organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. TexSTAR is managed by a five-member board of directors (Board). In accordance with the Public Funds Investment Act, TexSTAR maintains an advisory board composed of participants in TexSTAR and other persons who do not have a business relationship with TexSTAR. Advisory board members are appointed and serve at the will of the Board of Directors. J.P. Morgan Investment Management, Inc. (JPMIM) and Hilltop Securities Inc. (HSI) serve as co-administrators for TexSTAR under an agreement with the Board. JPMIM provides investment management services, and HSI provides participant services and marketing. Custodial, fund accounting, and depository services are provided by JPMorgan Chase Bank, N.A. and/or its subsidiary J.P. Morgan Investor Services Co. Transfer agency services are provided by Boston Financial Data Services, Inc. The business affairs of TexSTAR are managed by the Board in accordance with its bylaws. The bylaws set forth procedures governing the selection of, and action taken by, the Board. Board oversight of TexSTAR is maintained through various reporting requirements. TexSTAR is rated AAAM by Standard and Poor's and is operated in a manner consistent with the SEC's Rule 2A7 of the Investment Company Act of 1940. All investments are stated at amortized cost, which generally approximates the market value of the securities. The stated objective of TexSTAR is to maintain a stable \$1.00 per unit net asset value; however, the \$1.00 net asset value is not guaranteed or insured.

C. Utility Plant in Service

At December 31, 2020 and 2019, Utility Plant in Service is as follows:

	2020	2019
Land	\$ 211,860	\$ 211,860
Distribution lines & equipment	6,780,861	6,471,875
Engineering	431,731	431,731
Furniture & fixtures	60,468	58,643
Construction in Progress	--	40,500
Total Utility Plant in Service	<u>7,484,920</u>	<u>7,214,609</u>
Less: Accumulated depreciation	<u>(2,968,443)</u>	<u>(2,771,788)</u>
Net Utility Plant in Service	<u>\$ 4,516,477</u>	<u>\$ 4,442,821</u>

The Corporation acquires title to water lines in return for agreeing to their maintenance whenever a subdivision enters the Corporation. The cost of these lines are paid by the subdivision to the Corporation as a reimbursement of cost paid by the Corporation. The Corporation then records it as an addition to fixed assets and an increase in contributed capital.

D. Income Taxes

The Corporation has been exempted from federal income taxes as a nonprofit corporation under Section 501(c)(12), and, accordingly, the financial statements do not reflect a provision for income taxes.

The Corporation adopted the provisions of FASB ASC 740-10-25, "Income Taxes - Overall - Recognition", which requires recognition and disclosure of uncertain tax positions in the financial statements and footnotes. Management has analyzed the Corporation's tax positions taken with respect to all applicable income tax issues for open tax years (2017 through 2020), and has concluded that it has appropriate support for any tax positions taken or expected to be taken and, as such, does not have any uncertain tax positions that are material to the financial statements.

RICARDO WATER SUPPLY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020 AND 2019

E. Long Term Debt

Long-term debt consists of the following:

	Balance 12/31/19	Increases	Decreases	Balance 12/31/20	Current Portion
USDA Promissory Notes	\$ 2,085,753	\$ --	\$ 34,251	\$ 2,051,502	\$ 35,436
			2020		2019
\$1,969,000 Promissory Note to USDA for construction of a 12 inch water transmission line and a 150,000 gallon storage tank on CR 2170, payable over 40 years with interest only for the first year at 3.5% and monthly payments of \$7719 thereafter, including interest at 3.5%, projected pay-off date in December, 2052, secured by pledge of revenues of the Corporation			\$ 1,781,099		\$ 1,810,824
\$299,000 Promissory Note to USDA for construction of a 12 inch water transmission line and a 150,000 gallon storage tank on CR 2170, payable over 40 years with interest only for the first year at 3.5% and monthly payments of \$1173 thereafter, including interest at 3.5%, projected pay-off date in December, 2052, secured by pledge of revenues of the Corporation			270,403		274,929
			2,051,502		2,085,753
Less current portion			(35,436)		(34,219)
			<u>\$ 2,016,066</u>		<u>\$ 2,051,534</u>

The annual requirements to amortize the debt outstanding at December 31, 2020, is as follows:

Year Ending December 31,	Principal	Interest	Principal	Interest	Total
2021	\$ 30,765	\$ 61,872	\$ 4,671	\$ 9,393	\$ 106,701
2022	31,859	60,778	4,837	9,227	106,701
2023	32,993	59,645	5,008	9,055	106,701
2024	34,166	58,471	5,187	8,877	106,701
2025	35,312	57,256	5,372	8,692	106,632
2026-2030	196,703	266,484	29,863	40,456	533,506
2031-2035	234,265	228,925	35,565	34,754	533,509
2036-2040	278,993	184,194	42,335	27,963	533,485
2041-2045	332,264	130,923	50,443	19,876	533,506
2046-2050	395,798	67,479	60,074	10,244	533,595
2051-2052	177,891	6,596	27,048	1,903	213,438
	<u>\$ 1,781,009</u>	<u>\$ 1,182,623</u>	<u>\$ 270,403</u>	<u>\$ 180,440</u>	<u>\$ 3,414,475</u>

RICARDO WATER SUPPLY CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2020 AND 2019

F. Management

(1) Certificate of Convenience and Necessity

Certificate of Convenience and Necessity (No. 11889) was awarded to the Ricardo Water Supply Corporation by the Texas Utility Commission of Texas as requested in Docket No. 6237 on September 12, 1985.

(2) Management Contract

On January 28, 1991, the Corporation entered into a management contract with the South Texas Water Authority for management and operations of its system. The contract provides for insurance and bonding, reporting, and management's procedures and responsibilities.

(3) Accounting and Billing

During the 1991 year, the billing and accounting functions were outsourced to the South Texas Water Authority in order to help expedite these duties. This has allowed for more timely and consistent data to be available.

The Corporation remits funds to the South Texas Water Authority for the performance of various services including administration, water purchases, repairs and maintenance costs. For the twelve month periods ended December 31, 2020 and 2019, amounts paid to the South Texas Water Authority for these services totaled \$617,539 and \$624,977, respectively, in the following categories:

	2020	2019
Administration	\$ 142,516	\$ 138,372
Operation	91,296	70,863
Water purchases	322,926	358,358
Repairs and maintenance	60,801	57,384
Total	\$ 617,539	\$ 624,977

G. Concentration of Risk

All customers of Ricardo Water Supply Corporation are located in Kleberg County, Texas. At December 31, 2020 and 2019, there were 1,055 and 1,018 customers on line, respectively, none of which individually represent a significant portion of revenue or receivables.

The South Texas Water Authority provided 100% of all water obtained by Ricardo Water Supply Corporation for sale to its customers via a 12 inch transmission line that was placed in service December 12, 2013. The Corporation's water purchase contract with South Texas Water Authority was approved in August, 2015, effective on that date for twenty years.

H. Contracted Discount on Water Sales

A major customer of the Corporation has a fifty-cent per 1,000 gallon discount contract, in exchange for a contributed capital contribution to the Corporation made in 1987 of \$189,000.

The discount is applicable only until such time the original \$189,000 is paid back to the customer or until the customer ceases business operations. There is no financial obligation to the Corporation other than to sell water at a fifty-cent discount. As of December 31, 2020, a future discount of \$98,309 still remains on the contract or 196,618 thousands of gallons of water. In 2020, the customer used 157,920 gallons of water for a total discount of \$79; in 2019 it was 178,700 gallons and \$90 discount.

RICARDO WATER SUPPLY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020 AND 2019

I. Subsequent Events

Management has reviewed subsequent events and transactions that occurred after the balance sheet date through April 6, 2021, which is the date of the audit report. The financial statements include all Type I events or transactions, including estimates, required to be recognized in accordance with generally accepted accounting principles. Management and those charged with governance have determined that there are no non-recognized Type II subsequent events that require additional disclosure.

J. COVID-19 Pandemic

In November, 2019, the United States learned of the virus known as COVID-19. Over the past year, it has changed the dynamics of the economy, including the New York Stock Exchange, which remains volatile.

The Corporation and its Board of Directors have no control over these global and national events, except to guide the Corporation through these conditions as they present. These conditions may include, but may not be limited to:

1. Unstable economic environment
2. Potentially violent fluctuations in the stock market
3. Potential shortages of basic goods and services
4. Potential challenges in providing basic services to customers
5. Managing any loss of revenue and unexpected expenditures that may occur

As of the audit date, these events have had no material effect on the financial statements.

K. Budgets

(3) Budgets

A budget is prepared using the accrual basis of accounting. The budget is approved by the Board of Directors, and used as a management tool and as a basis in determining the price of water charged to member users of the Corporation.

RICARDO WATER SUPPLY CORPORATION

Supplementary Information

RICARDO WATER SUPPLY CORPORATION
EXHIBIT B-1

STATEMENT OF ACTIVITIES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2020, WITH COMPARATIVE
ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2019

	2020		Variance Favorable (Unfavorable)	2019
	Budget	Actual		Actual
OPERATING REVENUES:				
<i>Water sales</i>	\$ 862,618	\$ 892,923	\$ 30,305	\$ 811,101
<i>Other operating income</i>	28,845	31,746	2,901	50,462
Total Operating Revenues	891,463	924,669	33,206	861,563
OPERATING EXPENSES:				
<i>Water service</i>	323,819	322,928	891	358,354
<i>Water samples</i>	3,600	3,357	243	3,489
<i>Meter reading</i>	72,475	71,101	1,374	60,609
<i>Depreciation and amortization</i>	205,981	196,655	9,326	188,882
<i>Dues</i>	3,850	3,832	18	4,157
<i>Insurance</i>	18,088	17,349	739	17,720
<i>Legal and accounting</i>	7,300	6,410	890	6,461
<i>Engineering</i>	300	300	--	300
<i>Other professional services</i>	2,500	2,500	--	2,512
<i>Miscellaneous</i>	5,550	5,165	385	3,442
<i>Postage</i>	6,500	5,630	870	6,208
<i>Administration</i>	81,340	80,406	934	74,631
<i>Telephone</i>	4,100	4,291	(191)	3,757
<i>Repairs and maintenance</i>	168,500	183,898	(15,398)	151,668
<i>Supplies</i>	4,000	4,476	(476)	4,564
<i>Bad debt expense</i>	800	388	412	418
Total Operating Expenses	908,703	908,686	17	887,172
Net Operating Income	(17,240)	15,983	33,223	(25,609)
NON-OPERATING REVENUES (EXPENSES):				
<i>Interest income</i>	4,350	4,242	(108)	18,614
<i>Intergovernmental reimbursement</i>	281,085	281,085	--	
<i>Governmental Asset Conveyance</i>	--	--	--	70,799
<i>Interest expense</i>	(72,453)	(72,453)	--	(73,630)
Total Non-operating Revenues (Expenses)	212,982	212,874	(108)	15,783
NET INCOME	195,742	228,857	33,115	(9,826)
Unrestricted Net Position, January 1	1,477,561	1,477,561	--	1,487,387
Unrestricted Net Position, December 31	\$ 1,673,303	\$ 1,706,418	\$ 33,115	\$ 1,477,561

RICARDO WATER SUPPLY CORPORATION

EXHIBIT B-2

SCHEDULE OF INSURANCE COVERAGE

FOR THE YEAR ENDED DECEMBER 31, 2020

Carrier	Type of Coverage	Amount of Coverage	Policy Period
AIA Insurance	General Liability	\$2,046,591	12/1/2020
AAIC	Property	\$2,000,000/3,000,000	through 12/1/2021
AIA Insurance	Management Liability	\$1,000,000/3,000,000	12/1/2020 through 12/1/2021
Carlisle Ins.	Surety Bond	\$25,000	12/1/2020
Western Surety	Secretary/Treasurer Position		through 12/1/2021
Carlisle Ins.	Flood Insurance		12/1/2020
Traveler's Ins.	PS#1 - Pump House	\$31,000/0	through
	PS#1 - Warehouse	\$100,000/100,000	12/1/2021
AIA Insurance	Flood Insurance	\$1,131,641	12/1/2020
	PS#2 - CR 2170	\$964,171	through
	PS#3 - CR 2140	\$142,470	12/1/2021
	Office	\$25,000	
Carlisle Ins.	Employee Dishonesty/Crime	\$150,000	5/15/2020
Western Surety	General Manager		through
	Finance Manager		5/15/2021
	Risk Manager		

RICARDO WATER SUPPLY CORPORATION

EXHIBIT B-3

SCHEDULE OF WATER PURCHASES AND SALES

LAST TEN FISCAL YEARS

<u>Fiscal Year Ended</u>	<u>Gallons Purchased</u>	<u>Gallons From Wells</u>	<u>Gallons Sold</u>	<u>Gallons Corporation Usage, Losses, Etc.</u>	<u>Purchased Not Sold</u>
12/31/2011	119,734,000	-	102,948,470	16,785,530	14.02%
12/31/2012	115,388,000	-	98,842,030	16,545,970	14.34%
12/31/2013	107,806,000	-	91,450,450	16,355,550	15.17%
12/31/2014	103,810,000	-	83,433,910	20,376,090	19.63%
12/31/2015	100,545,000	-	71,493,910	29,051,090	28.89%
12/31/2016	99,875,000	-	76,334,670	23,540,330	23.57%
12/31/2017	100,853,000	-	85,033,590	15,819,410	15.69%
12/31/2018	94,499,000	-	75,779,810	18,719,190	19.81%
12/31/2019	120,137,000	-	90,809,660	29,327,340	24.41%
12/31/2020	109,807,000	-	89,865,460	19,941,540	18.16%

Standard and Non-Standard Service Availability Charges

The minimum monthly charge for meter water service is as follows:

5/8" meter - \$40.50 with no water

3/4" meter - \$60.77 with no water

1" meter - \$85.13 with no water

2" meter - \$101.27 with no water

2" compount - \$204.00 with no water

Customers on line: 1,055

RICARDO WATER SUPPLY CORPORATION

EXHIBIT B-5

SCHEDULE OF FIXED ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2020

Acct. No.	Class	Life Years	Cost	Sal.	Mtd.	Year Dep.	Net Book Val.
153	Land	N/A	211,860	0	S-L	-	211,860
162	Oper. Equip.	20	2,887	0	S-L	-	-
162	Oper. Equip.	20	1,185	0	S-L	-	-
162	Oper. Equip.	5	379	0	S-L	-	-
162	Oper. Equip.	5	10,367	0	S-L	-	-
162	Oper. Equip.	5	1,204	0	S-L	-	-
162	Oper. Equip.	5	3,485	0	S-L	-	-
162	Oper. Equip.	5	3,220	0	S-L	-	-
162	Oper. Equip.	5	3,220	0	S-L	-	-
162	Oper. Equip.	5	19,530	0	S-L	977	4,068
162	Oper. Equip.	5	13,295	0	S-L	665	3,213
162	Oper. Equip.	5	370	0	S-L	-	-
162	Oper. Equip.	5	44,062	0	S-L	-	-
162	Oper. Equip.	5	6,123	0	S-L	-	-
162	Oper. Equip.	5	8,991	0	S-L	-	-
162	Oper. Equip.	5	4,982	0	S-L	-	-
162	Oper. Equip.	5	1,007	0	S-L	-	-
162	Oper. Equip.	5	2,564	0	S-L	256	491

RICARDO WATER SUPPLY CORPORATION

SCHEDULE OF FIXED ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2020

EXHIBIT B-5
(continued)

Acct. No.	Class	Life Years	Cost	Sal.	Mtd.	Year Dep.	Net Book Val.
162	Oper. Equip.	5	8,629	0	S-L	863	2,445
162	Oper. Equip.	5	18,475	0	S-L	924	12,701
162	Oper. Equip.	5	6,100	0	S-L	610	2,616
162	Oper. Equip.	5	7,120	0	S-L	712	3,026
162	Oper. Equip.	5	6,834	0	S-L	683	3,588
162	Oper. Equip.	5	3,000	0	S-L	300	1,650
162	Oper. Equip.	10	7,400	0	S-L	740	5,180
162	Oper. Equip.	10	74,450	0	S-L	7,445	55,837
162	Oper. Equip.	10	5,727	0	S-L	573	4,583
162	Oper. Equip.	10	3,001	0	S-L	300	2,551
160	Office Equip.	5	7,878	0	S-L	-	-
160	Office Equip.	5	267	0	S-L	-	-
160	Office Equip.	5	4,284	0	S-L	-	-
160	Office Equip.	5	541	0	S-L	-	-
160	Office Equip.	5	748	0	S-L	-	-
160	Office Equip.	5	1,543	0	S-L	-	-
160	Office Equip.	5	550	0	S-L	-	-
160	Office Equip.	5	395	0	S-L	-	-

RICARDO WATER SUPPLY CORPORATION

SCHEDULE OF FIXED ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2020

EXHIBIT B-5

(continued)

Acct. No.	Class	Life Years	Cost	Sal.	Mtd.	Year Dep.	Net Book Val.
160	Office Equip.	5	1,249	0	S-L	-	-
160	Office Equip.	5	3,998	0	S-L	-	-
160	Office Equip.	5	2,998	0	S-L	-	-
160	Office Equip.	5	16,840	0	S-L	1,683	7,052
160	Office Equip.	5	1,720	0	S-L	-	-
160	Office Equip.	5	678	0	S-L	102	-
160	Office Equip.	5	523	0	S-L	105	52
160	Office Equip.	5	1,575	0	S-L	315	263
160	Office Equip.	5	11,273	0	S-L	2,255	5,636
160	Office Equip.	5	300	0	S-L	60	200
160	Office Equip.	5	388	0	S-L	78	265
160	Office Equip.	5	895	0	S-L	179	716
160	Office Equip.	5	1,825	0	S-L	95	1,730
157	Engineering	40	51,164	0	S-L	1,279	16,629
157	Engineering	40	43,400	0	S-L	1,085	16,994
157	Engineering	40	17,800	0	S-L	875	928
157	Engineering	40	319,367	0	S-L	15,968	214,242
165	Trans. Lines	20	42,900	0	S-L	-	-

RICARDO WATER SUPPLY CORPORATION

SCHEDULE OF FIXED ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2020

EXHIBIT B-5
(continued)

Acct. No.	Class	Life Years	Cost	Sal.	Mtd.	Year Dep.	Net Book Val.
165	Trans. Lines	10	5,673	0	S-L	-	-
165	Trans. Lines	10	5,054	0	S-L	-	-
165	Trans. Lines	20	54,798	0	S-L	1,239	9,289
165	Trans. Lines	20	290,793	0	S-L	6,573	49,295
165	Trans. Lines	20	56,913	0	S-L	1,308	10,458
165	Trans. Lines	40	929,394	0	S-L	23,235	201,798
165	Trans. Lines	5	2,056	0	S-L	-	-
165	Trans. Lines	40	5,265	0	S-L	132	1,579
165	Trans. Lines	20	19,317	0	S-L	-	-
165	Trans. Lines	20	2,983	0	S-L	-	-
165	Trans. Lines	20	4,010	0	S-L	-	-
165	Trans. Lines	20	162,462	0	S-L	-	-
165	Trans. Lines	40	1,522	0	S-L	38	457
165	Trans. Lines	40	212	0	S-L	5	73
165	Trans. Lines	40	18,864	0	S-L	131	1,356
165	Trans. Lines	40	281,641	0	S-L	7,053	101,968
165	Trans. Lines	40	2,777	0	S-L	70	1,110
165	Trans. Lines	20	8,405	0	S-L	-	-

RICARDO WATER SUPPLY CORPORATION

SCHEDULE OF FIXED ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2020

EXHIBIT B-5

(continued)

Acct. No.	Class	Life Years	Cost	Sal.	Mtd.	Year Dep.	Net Book Val.
165	Trans. Lines	20	25,267	0	S-L	353	5,859
165	Trans. Lines	20	16,485	0	S-L	-	-
165	Trans. Lines	20	1,437	0	S-L	-	-
165	Trans. Lines	20	12,183	0	S-L	-	-
165	Trans. Lines	20	4,048	0	S-L	-	-
165	Trans. Lines	20	6,805	0	S-L	163	-
165	Trans. Lines	10	6,155	0	S-L	-	-
165	Trans. Lines	10	28,130	0	S-L	-	-
165	Trans. Lines	10	11,676	0	S-L	-	-
165	Trans. Lines	10	28,458	0	S-L	-	-
165	Trans. Lines	10	8,125	0	S-L	-	-
165	Trans. Lines	10	8,881	0	S-L	-	-
165	Trans. Lines	50	429,100	0	S-L	8,582	272,479
165	Trans. Lines	10	12,467	0	S-L	-	-
165	Trans. Lines	50	320,632	0	S-L	-	308,460
165	Trans. Lines	10	10,328	0	S-L	-	-
165	Trans. Lines	10	6,485	0	S-L	-	-
165	Trans. Lines	10	1,935	0	S-L	-	-

RICARDO WATER SUPPLY CORPORATION

SCHEDULE OF FIXED ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2020

EXHIBIT B-5

(continued)

<u>Acct. No.</u>	<u>Class</u>	<u>Life Years</u>	<u>Cost</u>	<u>Sal.</u>	<u>Mtd.</u>	<u>Year Dep.</u>	<u>Net Book Val.</u>
165	Trans. Lines	10	2,461	0	S-L	-	-
165	Trans. Lines	10	7,246	0	S-L	-	-
165	Trans. Lines	10	11,962	0	S-L	-	-
165	Trans. Lines	10	11,284	0	S-L	-	-
165	Trans. Lines	10	2,639	0	S-L	-	-
165	Trans. Lines	10	10,499	0	S-L	-	-
165	Trans. Lines	10	19,151	0	S-L	-	-
165	Trans. Lines	10	5,964	0	S-L	-	-
165	Trans. Lines	10	11,991	0	S-L	601	-
165	Trans. Lines	10	42,420	0	S-L	1,061	31,108
165	Trans. Lines	10	11,478	0	S-L	1,148	651
165	Trans. Lines	10	18,351	0	S-L	1,835	2,833
165	Trans. Lines	10	14,198	0	S-L	1,420	3,457
165	Trans. Lines	10	10,115	0	S-L	1,012	3,405
165	Trans. Lines	10	2,095,191	0	S-L	52,380	1,737,262
165	Trans. Lines	10	741,961	0	S-L	18,548	615,210
165	Trans. Lines	10	17,062	0	S-L	1,706	7,875
165	Trans. Lines	10	40,500	0	S-L	2,025	31,725

RICARDO WATER SUPPLY CORPORATION

SCHEDULE OF FIXED ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2020

EXHIBIT B-5

(continued)

Acct. No.	Class	Life Years	Cost	Sal.	Mtd.	Year Dep.	Net Book Val.
165	Trans. Lines	10	24,600	0	S-L	1,230	19,270
165	Trans. Lines	10	15,077	0	S-L	1,508	7,947
165	Trans. Lines	10	21,136	0	S-L	2,114	13,826
165	Trans. Lines	10	27,153	0	S-L	1,358	22,288
165	Trans. Lines	10	82,885	0	S-L	4,144	66,309
165	Trans. Lines	10	9,611	0	S-L	961	7,208
165	Trans. Lines	10	3,821	0	S-L	191	3,263
165	Trans. Lines	10	14,929	0	S-L	1,492	11,196
165	Trans. Lines	10	7,536	0	S-L	753	6,028
165	Trans. Lines	10	16,478	0	S-L	1,648	13,817
165	Trans. Lines	10	70,799	0	S-L	7,080	62,539
165	Trans. Lines	10	2,134	0	S-L	213	1,796
165	Trans. Lines	10	5,532	0	S-L	507	5,025
165	Trans. Lines	10	22,369	0	S-L	1,370	20,999
165	Trans. Lines	10	281,085	0	S-L	2,342	278,743
175	Const. in Progress	N/A	-	0	S-L	-	-
			<u>\$ 7,484,920</u>			<u>\$ 196,656</u>	<u>\$ 4,516,477</u>

RICARDO WATER SUPPLY CORPORATION

2302 E. SAGE RD.

KINGSVILLE, TEXAS 78363

Office (361) 592-3952 Fax (361) 592-5965

MEMORANDUM

TO: Ricardo Water Supply Corporation Board of Directors
FROM: Baldemar Garcia, President
DATE: April 5, 2021
SUBJECT: Ricardo Water Supply Corporation Meeting Notice and Agenda

A Regular Meeting of the Ricardo Water Supply Corporation Board of Directors is scheduled for:

Tuesday, April 13, 2021

5:35 p.m.

South Texas Water Authority Boardroom
2302 East Sage Road
Kingsville, Texas

to consider and act upon any lawful subject which may come before it, including among others, the following:

PLEASE NOTE: THIS MEETING WILL BE HELD BY REMOTE ACCESS ONLY IN ACCORDANCE WITH THE MARCH 16, 2020 ORDER BY GOVERNOR ABBOTT TEMPORARILY SUSPENDING CERTAIN REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT TO ADVANCE THE GOAL OF LIMITING FACE-TO-FACE MEETINGS TO SLOW THE SPREAD OF COVID-19. NO PERSONS WILL BE AT THE MEETING LOCATION AND NO EQUIPMENT WILL BE AT THE MEETING FOR ACCESS TO THE MEETING. HOWEVER, MEMBERS OF THE PUBLIC MAY ACCESS THIS MEETING BY TELEPHONE AND PARTICIPATE IN THE MEETING BY CALLING ONE OF THE FOLLOWING TOLL-FREE NUMBERS AND ENTERING THE MEETING ID AND PASSWORD BELOW:

(877) 853 5257 OR (888) 475 4499
MEETING ID: 822 3634 1141
PASSWORD: 016238

PLEASE SEE THE CORPORATION'S WEBSITE AT WWW.RICARDOWSC.COM FOR THE MEETING PACKET.

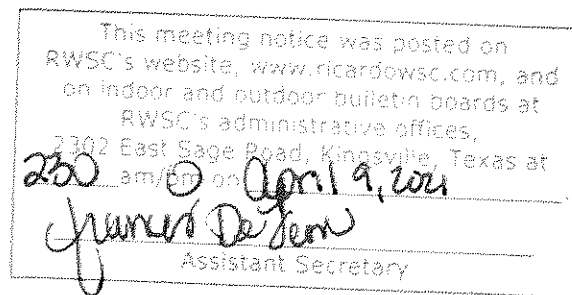
Agenda

1. Call to order.
2. Citizen comments.
3. Election of officers.
4. Approval of Minutes. (Attachment 1)
5. Treasurer's Report/Payment of Bills. (Attachment 2)

6. Appointment of Credentials Committee. (Attachment 3)
7. All matters pertaining to TxDOT Upgrades on US 77/I69 at CR 2120/FM772 and from CR 2130 south to CR 2230. (Attachment 4)
 - Funding Options
8. COVID-19 Pay Plan/Lockout Procedures. (Attachment 5)
9. February 2021 Winter Storm/Freeze Event. (Attachment 6)
10. Discuss and consider executing a Memorandum of Agreement with Kleberg County related to the 2021-22 TxCDBG Colonia Fund: Construction (CFC). (Attachment 7)
11. On-call concerns.
12. Adjournment.

The Board may go into closed session at any time when permitted by Chapter 551, Government Code. Before going into closed session, a quorum of the Board must be assembled in the meeting room, the meeting must be convened as an open meeting pursuant to proper notice, and the presiding officer must announce that a closed session will be held and must identify the sections of Chapter 551, Government Code, authorizing the closed session.

BG/CGS/fdl
Attachments



ATTACHMENT 1

Approval of Minutes

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.

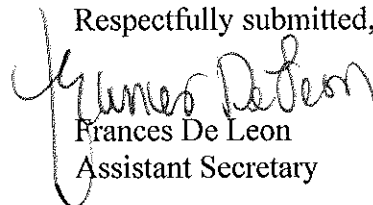
8. Appointment of representative for STWA Executive Director replacement.

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

ATTACHMENT 2

Treasurer's Report/Payment of Bills

Ricardo Water Supply Corporation
Treasurer's Report
As of January 31, 2021

General Account - KFNB	\$100,648.45
General Account - TexPool	\$354,810.10
General Account - TexPool Prime	\$117,374.82
General Account - TexSTAR	\$299,566.06
Operations Account - KFNB	\$1,226.42
Membership Deposit & Refund Account - TexPool	\$110,079.08
Debt Service Account	\$181.18
Reserve Account	\$86,892.69
Petty Cash	\$50.00
Cash Drawer	\$100.00
TOTAL	<u><u>\$1,070,928.80</u></u>

	11/13/2020 Billing Reg.	12/14/2020 Billing Reg.	1/13/2021 Billing Reg.
Total Usage (Gal)	7,727,660	7,989,910	6,985,130
Water Sales (\$)	\$75,966.00	\$77,160.57	\$72,856.78
Adjustments	(\$469.16)	(\$1,514.78)	\$982.95
Turn on Charge	\$0.00	\$0.00	\$0.00
Late Charges	\$1,163.00	\$1,158.00	\$1,011.00
Past Due	\$19,454.18	\$22,121.10	\$20,991.90
Tax	\$413.19	\$419.05	\$396.47
Leak Pay Plan	\$392.54	\$421.06	\$431.40
Sewage	\$6,608.08	\$6,626.21	\$6,414.93
Total Receivables	<u><u>\$103,527.83</u></u>	<u><u>\$106,391.21</u></u>	<u><u>\$103,085.43</u></u>
METERS ON LINE	1056	1055	1053

RICARDO WATER SUPPLY CORP.
GENERAL
JANUARY 2021

DATE	DESCRIPTION	CK NO.	DEPOSIT	DISBURSEMENT	BALANCE
	BEGINNING BALANCE				\$80,268.64
01-01	ONLINE PAYMENTS	DEP	\$693.21		\$80,961.85
01-02	ONLINE PAYMENTS	DEP	\$668.84		\$81,630.69
01-03	ONLINE PAYMENTS	DEP	\$591.59		\$82,222.28
01-04	WATER RECEIPTS	DEP	\$4,225.59		\$86,447.87
01-04	ONLINE PAYMENTS	DEP	\$1,189.04		\$87,636.91
01-05	WATER RECEIPTS	DEP	\$1,936.82		\$89,573.73
01-05	ONLINE PAYMENTS	DEP	\$935.69		\$90,509.42
01-06	WATER RECEIPTS	DEP	\$3,813.17		\$94,322.59
01-06	ONLINE PAYMENTS	DEP	\$1,163.97		\$95,486.56
01-07	WATER RECEIPTS	DEP	\$2,732.64		\$98,219.20
01-07	ONLINE PAYMENTS	DEP	\$1,604.25		\$99,823.45
01-08	WATER RECEIPTS	DEP	\$4,132.15		\$103,955.60
01-08	ONLINE PAYMENTS	DEP	\$1,461.35		\$105,416.95
01-08	CORE & MAIN LP	4061		\$2,814.12	\$102,602.83
01-08	HACH COMPANY	4062		\$1,037.01	\$101,565.82
01-08	JMF REPAIR SERVICE, LLC	4063		\$2,019.00	\$99,546.82
01-09	ONLINE PAYMENTS	DEP	\$2,004.16		\$101,550.98
01-10	ONLINE PAYMENTS	DEP	\$1,736.49		\$103,287.47
01-11	WATER RECEIPTS	DEP	\$5,633.18		\$108,920.65
01-11	ONLINE PAYMENTS	DEP	\$1,770.00		\$110,690.65
01-12	WATER RECEIPTS	DEP	\$684.14		\$111,374.79
01-12	ONLINE PAYMENTS	DEP	\$567.91		\$111,942.70
01-12	S. HURLEY#388 MEMBERSHIP	DEP	\$25.00		\$111,967.70
01-12	C. GOMEZ#1246 MEMBERSHIP	DEP	\$200.00		\$112,167.70
01-12	POSTMASTER	4064		\$2,000.00	\$110,167.70
01-13	WATER RECEIPTS	DEP	\$388.62		\$110,556.32
01-13	ONLINE PAYMENTS	DEP	\$575.63		\$111,131.95
01-14	WATER RECEIPTS	DEP	\$350.09		\$111,482.04
01-14	ONLINE PAYMENTS	DEP	\$1,136.76		\$112,618.80
01-15	WATER RECEIPTS	DEP	\$461.42		\$113,080.22
01-15	ONLINE PAYMENTS	DEP	\$2,052.17		\$115,132.39
01-15	SOUTH TEXAS PRESSURE SYSTEM	4065		\$1,825.00	\$113,307.39
01-15	STWA- WATER	4066		\$24,322.21	\$88,985.18
01-15	STWA- GEN. & ADMIN.	4067		\$17,913.85	\$71,071.33
01-15	STWA- PART TIME	4068		\$1,502.24	\$69,569.09
01-15	STWA- TELEPHONE/TECH	4069		\$1,318.42	\$68,250.67
01-15	STWA- STANDBY PAY	4070		\$367.21	\$67,883.46
01-15	STWA- REIMBURSEMENT	4071		\$788.64	\$67,094.82
01-16	ONLINE PAYMENTS	DEP	\$257.94		\$67,352.76
01-17	ONLINE PAYMENTS	DEP	\$256.75		\$67,609.51
01-18	WATER RECEIPTS	DEP	\$705.73		\$68,315.24
01-18	ONLINE PAYMENTS	DEP	\$936.55		\$69,251.79

01-18	RICARDO WASTEWATER IMP. CORP.	4072		\$3,076.52	\$66,175.27
01-18	A. MIRELES MEMBERSHIP #977	DEP	\$200.00		\$66,375.27
01-19	WATER RECEIPTS	DEP	\$1,629.56		\$68,004.83
01-19	ONLINE PAYMENTS	DEP	\$957.81		\$68,962.64
01-19	ACH BANK DRAFTS	DEP	\$13,173.96		\$82,136.60
01-20	WATER RECEIPTS	DEP	\$1,528.53		\$83,665.13
01-20	ONLINE PAYMENTS	DEP	\$1,180.51		\$84,845.64
01-20	R. GARCIA #595 ACH RETURN	DEB		\$41.24	\$84,804.40
01-21	WATER RECEIPTS	DEP	\$2,162.19		\$86,966.59
01-21	ONLINE PAYMENTS	DEP	\$897.12		\$87,863.71
01-21	R. SANDOVAL #1258 MEMBERSHIP	DEP	\$1,690.69		\$89,554.40
01-22	RICARDO WASTEWATER #853	DEB		\$997.87	\$88,556.53
01-22	WATER RECEIPTS	DEP	\$1,864.88		\$90,421.41
01-22	ONLINE PAYMENTS	DEP	\$768.63		\$91,190.04
01-23	ONLINE PAYMENTS	DEP	\$192.41		\$91,382.45
01-24	ONLINE PAYMENTS	DEP	\$102.58		\$91,485.03
01-25	WATER RECEIPTS	DEP	\$6,281.01		\$97,766.04
01-25	ONLINE PAYMENTS	DEP	\$1,836.81		\$99,602.85
01-25	TCEQ - 2020 REGULATORY FEES	ACH		\$4,439.12	\$95,163.73
01-25	STWA-TAPS & REPAIRS	4073		\$2,961.67	\$92,202.06
01-26	WATER RECEIPTS	DEP	\$641.21		\$92,843.27
01-26	ONLINE PAYMENTS	DEP	\$490.54		\$93,333.81
01-27	WATER RECEIPTS	DEP	\$1,292.32		\$94,626.13
01-27	ONLINE PAYMENTS	DEP	\$662.81		\$95,288.94
01-28	WATER RECEIPTS	DEP	\$443.67		\$95,732.61
01-28	ONLINE PAYMENTS	DEP	\$499.88		\$96,232.49
01-28	D. CAVAZOS-DEVELOPER	DEP	\$400.00		\$96,632.49
01-28	A. CHAMBERS #1256 MEMBERSHIP	DEP	\$1,310.00		\$97,942.49
01-29	WATER RECEIPTS	DEP	\$960.95		\$98,903.44
01-29	ONLINE PAYMENTS	DEP	\$816.62		\$99,720.06
01-30	ONLINE PAYMENTS	DEP	\$387.75		\$100,107.81
01-31	ONLINE PAYMENTS	DEP	\$539.03		\$100,646.84
01-31	INTEREST EARNED	DEP	\$1.61		\$100,648.45
			\$87,803.93	\$67,424.12	

RICARDO WATER SUPPLY CORPORATION
OPERATIONS
2021

DATE	DESCRIPTION	CK NO.	DEPOSITS	DISBURSE.	BALANCE
JANUARY 2021					\$3,428.46
01-04	PSI HOLDINGS	ACH		\$32.48	\$3,395.98
01-08	CITY OF CORPPUS CHRISTI-SAMPLES	6443		\$51.00	\$3,344.98
01-08	MCCOY'S BUILDING SUPPLY	6444		\$46.35	\$3,298.63
01-08	PRAESIDIUM SYSTEMS, INC	6445		\$59.99	\$3,238.64
01-08	TEXAS EXCAVATION SAFETY	6446		\$40.85	\$3,197.79
01-08	WILLATT & FLICKINGER, PLLC	6447		\$195.00	\$3,002.79
01-12	KLEBERG COUNTY	6448		\$10.00	\$2,992.79
01-15	ECONOMY PRINTING	6449		\$191.60	\$2,801.19
01-15	SILVA CONSTRUCTION, LLC.#1246	6450		\$200.00	\$2,601.19
01-15	A. WHEELER#197	6451		\$100.00	\$2,501.19
01-25	J. CASILLAS-INSPECTIONS	6452		\$513.03	\$1,988.16
01-25	ROBERT MENDEZ ESTATE #977	6553		\$100.00	\$1,888.16
01-25	STAPLES ADVANTAGE	6454		\$62.81	\$1,825.35
01-25	STAPLETON WATER WELL DRILLING	6455		\$50.00	\$1,775.35
01-29	CORE & MAIN LP	6456		\$129.90	\$1,645.45
01-29	HAAS ANDERSON CONST. LTD	6457		\$200.00	\$1,445.45
01-29	SILVA CONSTRUCTION, LLC #1245	6458		\$165.29	\$1,280.16
01-29	TRACKER SERVICES	6459		\$53.82	\$1,226.34
01-31	INTEREST EARNED	DEP	0.08		\$1,226.42
				\$2,202.12	

TexPool Participant Services
 1001 Texas Avenue, Suite 1150
 Houston, TX 77002



TEXAS TRUST
 TEXAS TREASURY SAFEKEEPING TRUST COMPANY
 COMPTROLLER GLENN HEGAR, CHAIRMAN

RECEIVED

FEB 11 2021

RICARDO WATER SUPPLY CORPORATION

RICARDO WATER SUPPLY CORP
 GENERAL ACCT
 ATTN CAROLA G SERRATO
 2302 E SAGE ROAD
 KINGSVILLE TX 78363-3328

Participant Statement

Statement Period 01/01/2021 - 01/31/2021

Page 1 of 2

Customer Service 1-866-TEX-POOL
 Location ID 000077893
 Investor ID 000007578

TexPool Update

You can update your contact information via TexConnect Online. Enter your Location #, PIN, and Password and then click Maintenance on the menu bar to get started.

TexPool Summary

Pool Name	Beginning Balance	Total Deposits	Total Withdrawals	Total Interest	Current Balance	Average Balance
Texas Local Government Investment Pool	\$364,660.93	\$0.00	\$9,874.82	\$23.99	\$354,810.10	\$356,409.84
TexPool Prime	\$117,362.46	\$0.00	\$0.00	\$11.89	\$117,374.35	\$117,363.61
Total Dollar Value	\$482,023.39	\$0.00	\$9,874.82	\$35.88	\$472,184.45	

Portfolio Value

Pool Name	Pool/Account	Market Value (01/01/2021)	Share Price (01/31/2021)	Shares Owned (01/31/2021)	Market Value (01/31/2021)
Texas Local Government Investment Pool	449/1370100001	\$364,660.93	\$1.00	354,810.100	\$354,810.10
TexPool Prime	590/1370100001	\$117,362.46	\$1.00	117,374.350	\$117,374.35
Total Dollar Value		\$482,023.39			\$472,184.45

Interest Summary

Pool Name	Pool/Account	Month-to-Date Interest	Year-to-Date Interest
Texas Local Government Investment Pool	449/1370100001	\$23.99	\$23.99
TexPool Prime	590/1370100001	\$11.89	\$11.89
Total		\$35.88	\$35.88



TexPool Participant Services
 1001 Texas Avenue, Suite 1150
 Houston, TX 77002



TEXAS TRUST
 TEXAS TREASURY SAFEEEMPIRE TRUST COMPANY
 COMPTROLLER GLENN HEGAR, CHAIRMAN

Participant Statement

RICARDO WATER SUPPLY CORP
 MEMBERSHIP DEPOSIT
 ATTN CAROLA G SERRATO
 2302 E SAGE ROAD
 KINGSVILLE TX 78363-3328

Statement Period 01/01/2021 - 01/31/2021

Page 1 of 2

Customer Service 1-866-TEX-POOL
 Location ID 000077893
 Investor ID 000007580

TexPool Update

You can update your contact information via TexConnect Online. Enter your Location #, PIN, and Password and then click Maintenance on the menu bar to get started.

TexPool Summary

Pool Name	Beginning Balance	Total Deposits	Total Withdrawals	Total Interest	Current Balance	Average Balance
Texas Local Government Investment Pool	\$110,071.70	\$0.00	\$0.00	\$7.38	\$110,079.08	\$110,072.41
Total Dollar Value	\$110,071.70	\$0.00	\$0.00	\$7.38	\$110,079.08	

Portfolio Value

Pool Name	Pool/Account	Market Value (01/01/2021)	Share Price (01/31/2021)	Shares Owned (01/31/2021)	Market Value (01/31/2021)
Texas Local Government Investment Pool	449/1370100003	\$110,071.70	\$1.00	110,079.080	\$110,079.08
Total Dollar Value		\$110,071.70			\$110,079.08

Interest Summary

Pool Name	Pool/Account	Month-to-Date Interest	Year-to-Date Interest
Texas Local Government Investment Pool	449/1370100003	\$7.38	\$7.38
Total		\$7.38	\$7.38





RICARDO WATER SUPPLY CORP
ATTN CAROLA SERRATO
PO BOX 1572
KINGSVILLE TX 78364-1572

MONTHLY STATEMENT OF ACCOUNT

ACCOUNT: 1370111110

ACCOUNT NAME: GENERAL FUND

STATEMENT PERIOD: 01/01/2021 - 01/31/2021

TEXSTAR MONTHLY SUMMARY: THE AVERAGE MONTHLY RATE WAS 0.0583%. THE AVERAGE WEIGHTED AVERAGE MATURITY WAS 38 DAYS AND THE NET ASSET VALUE FOR 1/31/21 WAS 1.000165.

MONTHLY ACTIVITY DETAIL

TRANSACTION DATE	DESCRIPTION	CONFIRMATION NUMBER	TRANSACTION AMOUNT	BALANCE
	BEGINNING BALANCE			299,551.23
01/29/2021	MONTHLY POSTING	9999888	14.83	299,566.06
	ENDING BALANCE			299,566.06

MONTHLY ACCOUNT SUMMARY

BEGINNING BALANCE	299,551.23
TOTAL DEPOSITS	0.00
TOTAL WITHDRAWALS	0.00
TOTAL INTEREST	14.83
ENDING BALANCE	299,566.06
AVERAGE BALANCE	299,551.23

ACTIVITY SUMMARY (YEAR-TO-DATE)

ACCOUNT NAME	DEPOSITS	WITHDRAWALS	INTEREST
GENERAL FUND	0.00	0.00	14.83



Ricardo Water Supply Corporation
Treasurer's Report
As of February 28, 2021

General Account - KFNB	\$118,257.82
General Account - TexPool	\$336,054.42
General Account - TexPool Prime	\$117,383.09
General Account - TexSTAR	\$299,573.75
Operations Account - KFNB	\$7,670.30
Membership Deposit & Refund Account - TexPool	\$110,082.70
Debt Service Account	\$9,073.18
Reserve Account	\$87,878.44
Petty Cash	\$50.00
Cash Drawer	\$100.00
TOTAL	<u><u>\$1,086,123.70</u></u>

	12/14/2020 Billing Reg.	1/13/2021 Billing Reg.	2/12/2021 Billing Reg.
Total Usage (Gal)	7,989,910	6,985,130	6,691,880
Water Sales (\$)	\$77,160.57	\$72,856.78	\$73,256.25
Adjustments	(\$1,514.78)	\$982.95	\$618.06
Turn on Charge	\$0.00	\$0.00	\$0.00
Late Charges	\$1,158.00	\$1,011.00	\$1,132.00
Past Due	\$22,121.10	\$20,991.90	\$19,836.87
Tax	\$419.05	\$396.47	\$399.92
Leak Pay Plan	\$421.06	\$431.40	\$480.92
Sewage	\$6,626.21	\$6,414.93	\$6,539.59
Total Receivables	<u>\$106,391.21</u>	<u>\$103,085.43</u>	<u>\$102,263.61</u>
METERS ON LINE	1055	1053	1060

**RICARDO WATER SUPPLY CORP.
GENERAL
FEBRUARY 2021**

DATE	DESCRIPTION	CK NO.	DEPOSIT	DISBURSEMENT	BALANCE
	BEGINNING BALANCE				\$100,648.45
02-01	WATER RECEIPTS	DEP	\$2,550.56		\$103,199.01
02-01	ONLINE PAYMENTS	DEP	\$755.33		\$103,954.34
02-02	WATER RECEIPTS	DEP	\$923.03		\$104,877.37
02-02	ONLINE PAYMENTS	DEP	\$329.63		\$105,207.00
02-02	RICARDO WASTEWATER IMP. CORP.	4074		\$3,020.37	\$102,186.63
02-03	WATER RECEIPTS	DEP	\$1,891.40		\$104,078.03
02-03	ONLINE PAYMENTS	DEP	\$418.63		\$104,496.66
02-03	R. GUTIERREZ #1259 MEMBERSHIP	DEP	\$1,310.00		\$105,806.66
02-03	R. RIVERA #1260 MEMBERSHIP	DEP	\$1,010.00		\$106,816.66
02-03	C. COLLINS #1233 MEMBERSHIP	DEP	\$401.35		\$107,218.01
02-03	J. TREVINO JR #669 TRANSFER	DEP	\$25.00		\$107,243.01
02-03	P. BROWN/J. TREVINO JR#669	DEP	\$366.38		\$107,609.39
02-04	KFNB-REFUND DISPOSABLE DEP. BAGS	DEP	\$92.68		\$107,702.07
02-04	WATER RECEIPTS	DEP	\$1,862.73		\$109,564.80
02-04	ONLINE PAYMENTS	DEP	\$1,257.05		\$110,821.85
02-05	WATER RECEIPTS	DEP	\$2,325.52		\$113,147.37
02-05	ONLINE PAYMENTS	DEP	\$1,717.24		\$114,864.61
02-06	ONLINE PAYMENTS	DEP	\$569.48		\$115,434.09
02-07	ONLINE PAYMENTS	DEP	\$316.88		\$115,750.97
02-08	WATER RECEIPTS	DEP	\$4,491.59		\$120,242.56
02-08	ONLINE PAYMENTS	DEP	\$1,220.31		\$121,462.87
02-09	WATER RECEIPTS	DEP	\$3,131.35		\$124,594.22
02-09	ONLINE PAYMENTS	DEP	\$2,363.53		\$126,957.75
02-10	WATER RECEIPTS	DEP	\$4,768.68		\$131,726.43
02-10	ONLINE PAYMENTS	DEP	\$2,534.01		\$134,260.44
02-11	WATER RECEIPTS	DEP	\$1,209.11		\$135,469.55
02-11	ONLINE PAYMENTS	DEP	\$1,679.28		\$137,148.83
02-11	S. VERN #574 CALLOUT	DEP	\$85.00		\$137,233.83
02-12	WATER RECEIPTS	DEP	\$215.81		\$137,449.64
02-13	ONLINE PAYMENTS	DEP	\$1,940.92		\$139,390.56
02-12	ONLINE PAYMENTS	DEP	\$1,089.34		\$140,479.90
02-14	ONLINE PAYMENTS	DEP	\$426.69		\$140,906.59
02-15	ONLINE PAYMENTS	DEP	\$493.01		\$141,399.60
02-16	WATER RECEIPTS	DEP	\$135.76		\$141,535.36
02-16	ONLINE PAYMENTS	DEP	\$965.13		\$142,500.49
02-17	WATER RECEIPTS	DEP	\$427.31		\$142,927.80
02-17	ONLINE PAYMENTS	DEP	\$710.79		\$143,638.59
02-18	WATER RECEIPTS	DEP	\$554.90		\$144,193.49
02-18	DEP CORRECTION	DEP	\$1.00		\$144,194.49
02-18	ONLINE PAYMENTS	DEP	\$706.38		\$144,900.87
02-18	RICARDO WASTEWATER IMP. CORP.	4075		\$2,777.75	\$142,123.12
02-19	WATER RECEIPTS	DEP	\$1,554.41		\$143,677.53
02-19	ONLINE PAYMENTS	DEP	\$474.93		\$144,152.46

02-19	STWA- WATER	4076		\$24,265.07	\$119,887.39
02-19	STWA- GEN & ADMIN	4077		\$19,508.14	\$100,379.25
02-19	STWA-TAPS & REPAIRS	4078		\$4,394.04	\$95,985.21
02-19	STWA- REIMBURSEMENT JAN.	4079		\$80.03	\$95,905.18
02-19	RICARDO WSC- OPERATIONS	4080		\$7,000.00	\$88,905.18
02-20	ONLINE PAYMENTS	DEP	\$179.37		\$89,084.55
02-21	ONLINE PAYMENTS	DEP	\$364.96		\$89,449.51
02-22	WATER RECEIPTS	DEP	\$4,064.59		\$93,514.10
02-22	ONLINE PAYMENTS	DEP	\$1,026.23		\$94,540.33
02-22	ACH BANK DRAFTS	DEP	\$12,057.09		\$106,597.42
02-23	WATER RECEIPTS	DEP	\$593.04		\$107,190.46
02-23	ONLINE PAYMENTS	DEP	\$1,200.72		\$108,391.18
02-24	WATER RECEIPTS	DEP	\$3,311.65		\$111,702.83
02-24	ONLINE PAYMENTS	DEP	\$929.24		\$112,632.07
02-24	V. PEREZ #1209 TRANSFER FEE	DEP	\$25.00		\$112,657.07
02-25	WATER RECEIPTS	DEP	\$1,484.88		\$114,141.95
02-25	ONLINE PAYMENTS	DEP	\$867.50		\$115,009.45
02-26	WATER RECEIPTS	DEP	\$1,033.36		\$116,042.81
02-26	ONLINE PAYMENTS	DEP	\$1,615.08		\$117,657.89
02-27	ONLINE PAYMENTS	DEP	\$159.91		\$117,817.80
02-28	ONLINE PAYMENTS	DEP	\$438.15		\$118,255.95
02-28	INTEREST EARNED	DEP	\$1.87		\$118,257.82
			\$78,654.77	\$61,045.40	

RICARDO WATER SUPPLY CORPORATION
 OPERATIONS
 2021

DATE	DESCRIPTION	CK NO.	DEPOSITS	DISBURSE.	BALANCE
FEBRUARY 2021					\$1,226.42
02-03	PSI HOLDINGS	ACH		\$32.48	\$1,193.94
02-05	MCCOY'S BUILDING SUPPLY	6460		\$10.95	\$1,182.99
02-05	TEXAS EXCAVATION SAFETY SYSTEM	6461		\$50.35	\$1,132.64
02-05	WILLATT & FLICKINGER	6462		\$35.10	\$1,097.54
02-18	CITY OF CC- CENTRAL CASHIER	6463		\$51.00	\$1,046.54
02-18	DSHS CENTRAL LAB MC2004	6464		\$213.92	\$832.62
02-18	JOE CASILLAS-BACKFLOW ASSEMBLY TESTING	6465		\$162.38	\$670.24
02-19	RWSC TRANSFER FROM GENERAL	DEP	\$7,000.00		\$7,670.24
02-28	INTEREST EARNED	DEP	\$0.06		\$7,670.30
			\$7,000.06	\$556.18	

TexPool Participant Services
 1001 Texas Avenue, Suite 1150
 Houston, TX 77002



TEXAS TRUST
 TEXAS TREASURY SAFEGUARDING TRUST COMPANY
 COMPTROLLER GLENN HEGAR, CHAIRMAN

RECEIVED

MAR 08 2021

Participant Statement

RICARDO WATER SUPPLY CORP
 GENERAL ACCT
 ATTN CAROLA G SERRATO
 2302 E SAGE ROAD
 KINGSVILLE TX 78363-3328

RICARDO WATER SUPPLY CORPORATION

Statement Period **02/01/2021 - 02/28/2021**

Page 1 of 2

Customer Service 1-866-TEX-POOL
 Location ID 000077893
 Investor ID 000007578

TexPool Update

Access the most up to date TexPool Participant Services forms by clicking Account Documents under Quick Links on the TexPool.com homepage.

TexPool Summary

Pool Name	Beginning Balance	Total Deposits	Total Withdrawals	Total Interest	Current Balance	Average Balance
Texas Local Government Investment Pool	\$354,810.10	\$0.00	\$18,766.82	\$11.14	\$336,054.42	\$336,362.05
TexPool Prime	\$117,374.35	\$0.00	\$0.00	\$8.74	\$117,383.09	\$117,375.29
Total Dollar Value	\$472,184.45	\$0.00	\$18,766.82	\$19.88	\$453,437.51	

Portfolio Value

Pool Name	Pool/Account	Market Value (02/01/2021)	Share Price (02/28/2021)	Shares Owned (02/28/2021)	Market Value (02/28/2021)
Texas Local Government Investment Pool	449/1370100001	\$354,810.10	\$1.00	336,054.420	\$336,054.42
TexPool Prime	590/1370100001	\$117,374.35	\$1.00	117,383.090	\$117,383.09
Total Dollar Value		\$472,184.45			\$453,437.51

Interest Summary

Pool Name	Pool/Account	Month-to-Date Interest	Year-to-Date Interest
Texas Local Government Investment Pool	449/1370100001	\$11.14	\$35.13
TexPool Prime	590/1370100001	\$8.74	\$20.63
Total		\$19.88	\$55.76



TexPool Participant Services
 1001 Texas Avenue, Suite 1150
 Houston, TX 77002



Participant Statement

RICARDO WATER SUPPLY CORP
 MEMBERSHIP DEPOSIT
 ATTN CAROLA G SERRATO
 2302 E SAGE ROAD
 KINGSVILLE TX 78363-3328

Statement Period **02/01/2021 - 02/28/2021**

Page 1 of 2

Customer Service 1-866-TEX-POOL
 Location ID 000077893
 Investor ID 000007580

TexPool Update

Access the most up to date TexPool Participant Services forms by clicking Account Documents under Quick Links on the TexPool.com homepage.

TexPool Summary

Pool Name	Beginning Balance	Total Deposits	Total Withdrawals	Total Interest	Current Balance	Average Balance
Texas Local Government Investment Pool	\$110,079.08	\$0.00	\$0.00	\$3.62	\$110,082.70	\$110,079.47
Total Dollar Value	\$110,079.08	\$0.00	\$0.00	\$3.62	\$110,082.70	

Portfolio Value

Pool Name	Pool/Account	Market Value (02/01/2021)	Share Price (02/28/2021)	Shares Owned (02/28/2021)	Market Value (02/28/2021)
Texas Local Government Investment Pool	449/1370100003	\$110,079.08	\$1.00	110,082.700	\$110,082.70
Total Dollar Value		\$110,079.08			\$110,082.70

Interest Summary

Pool Name	Pool/Account	Month-to-Date Interest	Year-to-Date Interest
Texas Local Government Investment Pool	449/1370100003	\$3.62	\$11.00
Total		\$3.62	\$11.00



TexPool Participant Services
 1001 Texas Avenue, Suite 1150
 Houston, TX 77002



Participant Statement

RICARDO WATER SUPPLY CORP
 USDA RESERVE ACCOUNT
 ATTN CAROLA SERRATO
 2302 E SAGE ROAD
 KINGSVILLE TX 78363-3328

Statement Period 02/01/2021 - 02/28/2021

Page .1 of 2

Customer Service 1-866-TEX-POOL
 Location ID 000077893
 Investor ID 000021281

TexPool Update

Access the most up to date TexPool Participant Services forms by clicking Account Documents under Quick Links on the TexPool.com homepage.

TexPool Summary

Pool Name	Beginning Balance	Total Deposits	Total Withdrawals	Total Interest	Current Balance	Average Balance
Texas Local Government Investment Pool	\$86,892.69	\$982.82	\$0.00	\$2.93	\$87,878.44	\$87,875.82
Total Dollar Value	\$86,892.69	\$982.82	\$0.00	\$2.93	\$87,878.44	

Portfolio Value

Pool Name	Pool/Account	Market Value (02/01/2021)	Share Price (02/28/2021)	Shares Owned (02/28/2021)	Market Value (02/28/2021)
Texas Local Government Investment Pool	449/1370100004	\$86,892.69	\$1.00	87,878.440	\$87,878.44
Total Dollar Value		\$86,892.69			\$87,878.44

Interest Summary

Pool Name	Pool/Account	Month-to-Date Interest	Year-to-Date Interest
Texas Local Government Investment Pool	449/1370100004	\$2.93	\$8.77
Total		\$2.93	\$8.77





RICARDO WATER SUPPLY CORP
ATTN CAROLA SERRATO
PO BOX 1572
KINGSVILLE TX 78364-1572

RECEIVED

MAR 09 2021

RICARDO WATER SUPPLY CORPORATION

MONTHLY STATEMENT OF ACCOUNT

ACCOUNT: 1370111110

ACCOUNT NAME: GENERAL FUND

STATEMENT PERIOD: 02/01/2021 - 02/28/2021

TEXSTAR MONTHLY SUMMARY: THE AVERAGE MONTHLY RATE WAS 0.0334%. THE AVERAGE WEIGHTED AVERAGE MATURITY WAS 46 DAYS AND THE NET ASSET VALUE FOR 2/26/21 WAS 1.000151.

MONTHLY ACTIVITY DETAIL

TRANSACTION DATE	DESCRIPTION	CONFIRMATION NUMBER	TRANSACTION AMOUNT	BALANCE
	BEGINNING BALANCE			299,566.06
02/26/2021	MONTHLY POSTING	9999888	7.69	299,573.75
	ENDING BALANCE			299,573.75

MONTHLY ACCOUNT SUMMARY

BEGINNING BALANCE	299,566.06
TOTAL DEPOSITS	0.00
TOTAL WITHDRAWALS	0.00
TOTAL INTEREST	7.69
ENDING BALANCE	299,573.75
AVERAGE BALANCE	299,566.06

ACTIVITY SUMMARY (YEAR-TO-DATE)

ACCOUNT NAME	DEPOSITS	WITHDRAWALS	INTEREST
GENERAL FUND	0.00	0.00	22.52

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT TEXSTAR PARTICIPANT SERVICES AT 1-800-839-7827.



STWA

SOUTH TEXAS WATER AUTHORITY

INVOICE

2302 E. SAGE RD.

S21 - 042

KINGSVILLE, TEXAS 78363
March 15, 2021

Ricardo Water Supply Corporation
2302 East Sage Rd.
Kingsville, Texas 78363

Usage

FM 772 Meter			
Current Reading:	3/1/2021	215924	
Previous Reading:	2/1/2021	214635	
Current usage			1,289,000
Kingsville Meter			
Current Reading:	3/1/2021	505315	
Previous Reading:	2/1/2021	497542	
Current usage			7,773,000
Total Water Usage for Period	2/1/2021	to 3/1/2021	9,062,000
Total Water delivered			9,062,000
Ratio STWA to Total			100%
Contract Year to Date Usage ----- 43,629,000 gallons			

Water Rate (per thousand gallons)

Cost of Water from City of Corpus Christi (Total charges divided by total consumption):

Total charges	\$83,935.58	
Total consumption	46,900	
Cost of Water from City of Corpus Christi	\$ 1.789671	

				Amount Due
STWA Handling Charge	9,062,000 g @	\$ 0.426386	=	\$ 3,863.91
Corpus Christi Water Cost	9,062,000 g @	\$ 1.789671	=	\$ 16,218.00
Water Rate for current billing period		\$ 2.216057		

Cost of Water

9,062,000 gallons @ \$2.216057 per thousand gallons \$ 20,081.91

Total Due for Water Usage for period 2/1/2021 to 3/1/2021 **\$ 20,081.91**

Net Water Revenue - STWA

Handling Charge	\$ 3,863.91
less Pumping Cost	\$ 1,372.29
= Net Revenue	\$ 2,491.62

Payment Due within 30 days of Receipt of Invoice

Thank You!

For more information about the Authority, including information about the Authority's board and board meetings, please go the Comptroller's Special Purpose District Public Information Database located at

<https://spdpid.comptroller.texas.gov/> or the Authority's website www.stwa.org

Brandon W. Barrera, President
Jose M. Graveley, Vice-President
Imelda Garza, Secretary-Treasurer
Hector Castaneda
Rudy Galvan, Jr.

(361) 592-9323 Or (361) 692-0337 (C.C. line)

Fax: (361) 592-5965

Frances Garcia
Kathleen Lowman
Patsy A. Rodgers
Carola G. Serrato, Executive Director

INVOICE

S21 - 043

March 15, 2021

Ricardo Water Supply Corporation
2302 E. Sage Rd.
Kingsville, Texas 78363

Description		Amount Due	
No. of Connections This Month:		1057	
1057	General Maintenance (per connection) @	\$ 5.65	\$ 5,972.05
1057	Read Meters (per connection) @	\$ 2.50	2,642.50
3	Sample Collection (per sample) @	\$ 40.00	120.00
Billing Services for Month of:			
February, 2021			
210	Final Notice Cards @	\$ 1.10	02/11/21 231.00
1067	Statements @	\$ 2.00	02/12/21 2,134.00
12	Meter Removal/Cancel Letters @	\$ 1.75	2/12 & 2/23 21.00
1057	Administration (per connection) @	\$ 6.00	6,342.00
1891	Copies @	\$ 0.10	189.10
	Postage		31.72
1	Developer analysis @	\$ 200.00	Sandoval 200.00
TOTAL		\$	17,883.37

Payment Due by
March 31, 2021

Thank You!

For more information about the Authority, including information about the Authority's board and board meetings, please go the Comptroller's Special Purpose District Public Information Database located at <https://spdpid.comptroller.texas.gov/> or the Authority's website www.stwa.org

STWA

SOUTH TEXAS WATER AUTHORITY

2302 E. SAGE RD.

KINGSVILLE, TEXAS 78363

March 15, 2021

S21-048

Ricardo Water Supply Corporation
2302 East Sage Road
Kingsville, Tx 78363

COPY

DATE	DESCRIPTION	W.O. #	Invoiced to others	Due to STWA
2/1/21	Meter removal due to non-payment at acct. #669-Brown, CR 2180.	6443	0.00	60.00
2/7/21	Weekend residual checks on rural system and read meters.	6444	0.00	140.00
2/2/21	Installed missing meter box lid at acct. #74-Rodriguez, CR 2208.	6445	0.00	35.00
2/2/21	Installed missing meter box lid at acct. #733-Flores, CR 2208.	6446	0.00	35.00
2/2/21	Installed missing meter box lid at acct. #1028-Flores, CR 2208.	6447	0.00	35.00
2/2/21	Replaced meter box lid at acct. #737-Mendoza, CR 1065.	6448	0.00	35.00
2/4/21	Customer service inspection at acct. #669-Brown, CR 2180. Passed inspection.	6449	75.00	75.00
2/3/21	Customer service inspection at acct. #1252-Silva's Construction, CR 1026. Passed inspection.	6450	75.00	75.00
2/3/21	Customer service inspection at acct. #1251-Silva's Construction, CR 1026. Passed inspection.	6451	75.00	75.00
2/6/21	Tap & meter set at acct. #1259-Gutierrez, CR 2208. Also repaired a 2" water line that was hit during the installation.	6452	585.00	805.00
2/4/21	Tap & meter set at acct. #1256-Chambers, CR 2140.	6453	585.00	430.00
2/6/21	Tap & meter set at acct. #1258-Sandoval, CR 2180, Taylor Estates #2.	6454	585.00	430.00
2/8/21	Replaced meter box at acct. #858-Sandoval, PR 2137.	6455	0.00	60.00
2/8/21	Replaced meter box at acct. #1094-Munoz, PR 2137.	6456	0.00	60.00
2/3/21	Replaced meter box at acct. #564-Allen, CR 1030.	6457	0.00	60.00
2/3/21	Replaced meter box at acct. #411-Sutherland, FM 772.	6458	0.00	60.00
2/3/21	Replaced meter box at acct. #285-Medrano, CR 2140.	6459	0.00	60.00
2/3/21	Meter reservice at acct. #669-Brown/Trevino, CR 2180.	6460	110.00	110.00

Brandon W. Barrera, President
Jose M. Graveley, Vice-President
Imelda Garza, Secretary-Treasurer
Rudy Galvan, Jr.

(361) 592-9323 Or (361) 692-0337 (C.C. line)
Fax: (361) 592-5965

Kathleen Lowman
Lupita Perez
Patsy A. Rodgers
Carola G. Serrato, Executive Director

DATE	DESCRIPTION	W.O. #	Invoiced to others	Due to STWA
2/5/21	Installed a new fire hydrant at Ricardo School, CR 2160. Replaced existing hydrant.	6461	0.00	1500.00
2/8/21	Customer service inspection at acct. #1233-Collins, CR 1026.	6462	75.00	75.00
2/5/21	Meter reservice at acct. #1233-Collins, CR 1026.	6463	110.00	110.00
2/9/21	Meter lockout due to non-payment at acct. #6-Raines, CR 2160. RWSC will be charged if/when unlocked.	6464	N/C	N/C
2/9/21	Meter lockout due to non-payment at acct. 951-Resendez, CR 1035. <u>Unlocked</u> after payment was received.	6465	0.00	60.00
2/9/21	Meter lockout due to non-payment at acct. #898-Vega, Melanie Lane. <u>Unlocked</u> after payment was made.	6466	0.00	60.00
2/9/21	Replaced meter box at acct. #174-Coleman, CR 2140.	6467	0.00	60.00
2/9/21	Replaced meter box at acct. #172-South, CR 2140.	6468	0.00	60.00
---	***To be billed in March 2021***	6469- 6482	----	----
2/10/21	Customer service inspection at acct. #1256-Chambers, CR 2140. Passed inspection.	6483	75.00	75.00
2/22/21	Customer service inspection at acct. #1258-Sandoval, CR 1060. Passed inspection.	6484	75.00	75.00
2/26/21	Regular hour call-out to open shut off valve at acct. #294-Telles, Chavez Rd. Called in by tenant on property.	6485	35.00	35.00
2/16/21	Regular hour call-out to shut off water due to leak on customer's side of meter at acct. #936-Cantu, CR 2170.	6486	35.00	35.00

Total Due STWA \$ 4,785.00

Amount Invoiced to Others \$ 2,495.00

Payment due by March 29, 2021

Thank You!

March 15, 2021

S21-050

Ricardo Water Supply Corporation
2302 East Sage Road
Kingsville, TX 78363

COPY

REIMBURSEMENT INVOICE

Date of purchase	Vendor used for purchase Description	Inv #	Invoice Total
2/5/2021	McCoy's - Concrete mix/hydrant install	10679273	\$ 25.12
2/16/2021	Quill-Lexmark Toner	14643807	\$ 206.52
2/16/2021	Quill-Lexmark Toner	14748522	\$ 116.31
Total Reimbursment due STWA			\$ 347.95

Due upon receipt



2202 SENATOR CARLOS TRUAN
KINGSVILLE, TX 78363-0092

(361)221-9699

Fax: (361)221-9708

30539 030539
900-98011695-001

* INVOICE-CHARGE *

Date: 2/05/2021
9:12 AM

CUSTOMER REMITTANCE NUMBER
INVOICE: 10679273
Page: 1

SOUTH TEXAS WATER AUTHORITY
2302 E. SAGE RD.

(361)592-9323

SHIP TO

531
POSTED
2/18/21

GB

KINGSVILLE, TX 78363
Selling Store: 106
Salesperson: 30539 AMBER G

Terms: NET 10TH PROX
Tax ID #: EXEMPT

Our Order #: 284682
PO #: 13785

QTY	U/M	UNIT PRICE	U/M	EXTENDED PRICE	TAX
5	EA	4.186	EA	25.12	
5	EA	2.439	EA	12.20	
1	BAG	1.216	BAG	1.22	
5	EA	.225	EA	1.13	

ENJOY BENEFITS WHEN YOU SHOP WITH THE MCCOY'S CONSUMER CREDIT CARD**
SEE ASSOCIATE FOR DETAILS
APPLY AT THE STORE AND GET A CREDIT DECISION TODAY
LEARN MORE AT WWW.MCCOYS.COM/CONSUMER-CREDIT

***** BUYBOARD CONTRACT 501-15

SIGNATURE: *[Signature]*

Delivered by: 2/05/2021 Weight: 481

Ordered by: JUAN DELEON

Subtotal: 39.67 Tax: .00 Tax: .00 TOTAL: 39.67

FOR INTERNAL USE ONLY

Thank You for shopping at McCoy's

106-576545

TAX STATEMENT ON NEXT PAGE

25.12

Ricardo Water Supply Corporation

PURCHASE ORDER

To STWA (Quire) Ricardo, Texas, February 16, 2021

The Following Articles To Be Furnished And Charged to the Ricardo Water Supply Corp.

For Department Water Fund

Requisition issued in duplicate--All invoices should be issued to the Corporation and mailed to the General Manager As soon as possible after purchase is made. Statement to be mailed to the General Manager not later than fifteenth of month following purchase.

QUANTITY	ARTICLE	UNIT	AMOUNT
	Reimburse (IO # 13743)		
1	Leamark Tank - Black		413.00
1	Leamark Tank - Yellow		232.61
	Tank		105.14
	less 1/2 paid by NWC (IO # 215)		322.82
	TOTAL TO REIMBURSE STWA		322.82

Ordered by F. DeLeon
 Approved [Signature]
 General Manager



PO Box 37600
Philadelphia, PA 19101-0600

Invoice

Order Date: 02/16/2021
Ship Date: 02/16/2021
Invoice Date: 02/16/2021
Due Date: 03/18/2021
TIN: 04-2896127

Sold To:

6151 1 MB 0.450 E0341 I0618 D2591481150 S3 P3963694 0003:0003



SOUTH TEXAS WATER AUTHORITY
2302 E SAGE RD
KINGSVILLE TX 78363-3328

Ship To:

South Texas Water Authority
Frances De Leon
2302 E Sage Rd
Kingsville TX 78363

Customer PO: 13793

Order#: 147536021

Invoice #: 14643807

Account #: 6373356

Item Number	Description	Color	Qty Shipped	Price	Unit	Extended
901-IM12Y7306	Cs720 cs725 black toner		1	\$413.03	each	\$413.03

Your coupon savings of \$21.96 is reflected in the item prices on this invoice

View your account balance and pay invoices online!
Go to Quill.com/billing

PAID
520
3/12/21

Electronic Payment Info:
Quill Corporation
Account 4353724479
Routing 121000248
arpayment@quill.com

☺ Always happy to help
☎ 800.982.3400 ✉ invoice@quill.com

APPROVED FOR PAYMENT

Merchandise Amt: \$413.03
Tax: \$0.00
Shipping: Free
Amount Due: \$413.03

APPROVAL _____
DATE PAID _____
CHECK NO. _____
AMOUNT _____

Pay this invoice or track the status of this order at Quill.com/myaccount

To ensure proper payment, include this portion along with your check to the address shown. Include your Account Number.
If you're paying multiple invoices at one time, submit each invoice stub that you would like your payment applied to.

Account Number: 6373356
South Texas Water Authority



Invoice Number: 14643807
Invoice Date: 02/16/2021
Amount Due: \$413.03
Payable in US Dollars

Payable to:

Quill LLC
P.O. Box 37600
Philadelphia, PA 19101-0600

0011000000146438070006373356310000000413039



PO Box 37600
Philadelphia, PA 19101-0600

RECEIVED

FEB 26 2021

SOUTH TEXAS WATER AUTHORITY

Invoice

Order Date: 02/16/2021
Ship Date: 02/20/2021
Invoice Date: 02/19/2021
Due Date: 03/21/2021
TIN: 04-2896127

Ship To:

South Texas Water Authority
Frances De Leon
2302 E Sage Rd
Kingsville TX 78363

Sold To:

6151 1 MB 0.450 E0341X 10617 D2591481144 S3 P3963694 0001:0003



SOUTH TEXAS WATER AUTHORITY
2302 E SAGE RD
KINGSVILLE TX 78363-3328



Customer PO: 13793

Order#: 147536020

Invoice #: 14748522

Account #: 6373356

Item Number	Description	Color	Qty Shipped	Price	Unit	Extended
901-1M12Y7306	Cs720 cs725 black toner		0	\$0.00		\$0.00
The item above will be shipped and billed separately						
901-2103595	Lexmark cs72Xcx725 rtn ylw		1	\$232.61	each	\$232.61
901-QP1X81120CT	Qb bl 8.5X11 prm cpy 20 97 10R	White	2	\$31.01	carton	\$62.02
901-1668028	Disinfectant spray linen		6	\$8.54	each	\$51.24
901-1879090	Ppm ink joy 100Rt bp blk 20Pk		2	\$9.39	pack	\$18.78

5000 QPoints from your applied coupon has been added to your account
Your coupon savings of \$18.04 is reflected in the item prices on this invoice

Electronic Payment Info:

Quill Corporation
Account 4353724479
Routing 121000248
arpayment@quill.com



Always happy to help



800.982.3400



invoice@quill.com

Merchandise Amt: \$364.65
Tax: \$0.00
Shipping: Free
Amount Due: \$364.65

Pay this invoice or track the status of this order at Quill.com/myaccount

To ensure proper payment, include this portion along with your check to the address shown. Include your Account Number.
If you're paying multiple invoices at one time, submit each invoice stub that you would like your payment applied to.

Account Number: 6373356
South Texas Water Authority

Payable to:

Quill-LLC
P.O. Box 37600
Philadelphia, PA 19101-0600



Invoice Number: 14748522
Invoice Date: 02/19/2021
Amount Due: \$364.65
Payable in US Dollars

0011000000147485220006373356310000000364650

RICARDO WATER SUPPLY CORPORATION
WATER LOSS COMPUTATION

December 9, 2020 through January 8, 2021

	11	22	33	Loss	
				Pump Station Totals	Kingsville & FM 772 Totals
	Pump #1	Pump #2	Pump #3		
+ STWA Mtr. Rdg. Totals	4,190,000	3,064,000	643,000	7,897,000	7,942,000
RWSC Billing Register	4,130,190	2,339,210	528,230	6,997,630	6,997,630
+/- Adjustments					
+ Haulers (Kleberg County)	6,200			6,200	6,200
+Overflows/Tie In				0	0
+Leaks				0	0
+Leaks on 12" line					
+Fire Dept Use	12,625	4,000		16,625	16,625
+Unmetered Flushing	0	0	0	0	0
+Flushing	37,510	29,130	930	67,570	67,570
- = Accounted water	4,186,525	2,372,340	529,160	7,088,025	7,088,025
= Water loss	3,475	691,660	113,840	808,975	853,975
% Water loss/gain	0.08%	22.57%	17.70%	10.24%	10.75%

Register Routes:

11 - Pump #1

22 - Pump #2

33 - Pump #3

*The following leaks were repaired during this period.

None

RICARDO WATER SUPPLY CORPORATION
WATER LOSS COMPUTATION

January 8, 2021 through February 9, 2021

				Loss	
	11 Pump #1	22 Pump #2	33 Pump #3	Pump Station Totals	Kingsville & FM 772 Totals
+ STWA Mtr. Rdg. Totals	4,080,000	3,228,000	541,000	7,849,000	7,958,000
RWSC Billing Register	3,645,360	2,555,050	465,070	6,665,480	6,665,480
+/- Adjustments					
+ Haulers (Kleberg County)	0			0	0
+Overflows/Tie In				0	0
+Leaks	5,000	50,000		55,000	55,000
+Leaks on 12" line				0	0
+Fire Dept Use	5,500			5,500	5,500
+Unmetered Flushing	0	0	0	0	0
+Flushing	16,970	3,800	2,640	23,410	23,410
- = Accounted water	3,672,830	2,608,850	467,710	6,749,390	6,749,390
= = Water loss	407,170	619,150	73,290	1,099,610	1,208,610
% Water loss/gain	9.98%	19.18%	13.55%	14.01%	15.19%

Register Routes:

11 - Pump #1

22 - Pump #2

33 - Pump #3

*The following leaks were repaired during this period.

1/11/21 - FM 1118, PS #2 - 50,000 gallons

2/8/21 - CR 1065/CR 2180, PS #1 - 5,000 gallons

RICARDO WATER SUPPLY CORPORATION
WATER LOSS COMPUTATION

February 9, 2021 through March 9, 2021

				Loss	
	11	22	33	Pump Station Totals	Kingsville & FM 772 Totals
	Pump #1	Pump #2	Pump #3		
+ STWA Mtr. Rdg. Totals	5,450,000	3,539,000	96,000	9,085,000	9,804,000
RWSC Billing Register	4,629,590	2,970,880	592,450	8,192,920	8,192,920
+/- Adjustments					
+ Haulers (RVFD - Freeze)	2,600			2,600	2,600
+Overflows/Tie In				0	0
+Leaks				0	0
+Leaks on 12" line				0	0
+Fire Dept Use	10,300			10,300	10,300
+Unmetered Flushing	0	0	0	0	0
+Flushing	605,780	124,630	0	730,410	730,410
- = Accounted water	5,248,270	3,095,510	592,450	8,936,230	8,936,230
= = Water loss	201,730	443,490	(496,450)	148,770	867,770
% Water loss/gain	3.70%	12.53%	-517.14%	1.64%	8.85%

Register Routes:

- 11 - Pump #1
- 22 - Pump #2
- 33 - Pump #3

*The following leaks were repaired during this period.

None

Note: Pump Station #3 was taken out of service during the freeze event on February 15, 2021

ATTACHMENT 3

Credentials Committee

Memorandum

To: Ricardo Water Supply Corporation Board of Directors
From: Carola G. Serrato, General Manager
Date: April 8, 2021
Re: Appointment of Credentials Committee

Background:

Certain required steps are involved with regards to Annual Membership Meetings and Election of a Board. Election of officers is scheduled to occur immediately after the Annual Membership meeting. The appointment of the Credentials Committee is another item that occurs immediately after the Annual Membership Meeting.

Analysis:

The Credentials Committee should be three (3) persons and the committee should be appointed during the first business meeting after the Annual Meeting. The procedures state that the Secretary-Treasurer is a member of the committee, unless the newly elected Secretary-Treasurer is a position that is up for election in 2022. This would be the case if Oliver Hinojosa is re-elected as Secretary-Treasurer since his term expires in 2022. As such, another Board Officer should be appointed. The second person appointed should be another Board member. The third person should be a member of the Corporation, which would be a customer that has executed a Service Agreement.

Staff Recommendation:

Appoint the newly elected Secretary-Treasurer (if allowed), another Board member and a person that is a member of the Corporation.

Board Action:

Determine which persons to appoint.

Summarization:

Appointment of a Credentials Committee should ensure that the Corporation is making an effort to comply with the election procedures.

ATTACHMENT 4

TxDOT Upgrades

Memorandum

To: Ricardo Water Supply Corporation Board of Directors
From: Carola G. Serrato, General Manager
Date: April 9, 2021
Re: TxDOT Upgrades –Adjustments to Waterlines south of CR 2130 and Financing

Background:

Enclosed is an email from TxDOT regarding an anticipated timeline for the return of the Corporation's 10% withheld amount (\$28,108.50). Staff confirmed that the June 15th date for reimbursement is correct – June of 2022. But, in the process lodged a complaint with the Utility Coordinator about the long delay and requested the issue be brought to the attention of the appropriate division. It appears the Corporation's concern was heard and enclosed is the email chain indicating that the audit has been *escalated* and should be complete by June of 2021.

Last month, staff reported that the engineer's estimated cost is \$505,000 – see attached breakdown for four (4) adjustment sections. The Board determined rather than continue with a joint bid process which would require the Corporation to pay the upfront estimated cost *plus* an additional 25% "contingency" amount that the Corporation would use the standard approach to the project by advertising for bids and award the job to the lowest responsible bidder.

Analysis:

Eric Villarreal, Ardurra (previously LNV), continues to work on finalizing the design for the adjustments which will be submitted to Half Associates, TxDOT's consultant and according to Mr. Villarreal should be submitted in the next two (2) weeks. Depending on the amount of time Half/TxDOT takes to review the plans and whether any changes are necessary, Mr. Villarreal anticipates advertisement for bids should occur by late May/early June with award by mid- to late-June. Construction is possible by July/August.

With regards to funding of the adjustments, staff contacted Anne Burger-Entrekin with Hilltop Securities, Inc. (previously First Southwest). Ms. Burger-Entrekin has been South Texas Water Authority's Financial Advisor for thirty plus years. I asked whether the Texas Water Development Board had any available programs that would allow for reimbursement - since funds will likely need to be spent prior to the loan closing. I also inquired what would happen with any "excess" funds should the TxDOT adjustments cost less than the estimated amount. According to Noel Valdez, McCall, Parkhurst and Horton, the loan documents would be written to allow remaining funds to be used to address other RWSC needs, such as painting the elevated storage tank at PS#1.

Ms. Burger-Entrekin estimates the closing cost to be \$33,000. That amount added to the \$505,000 engineer's estimate is \$538,000. However, the TWDB may require that the loan be made in \$5,000 increments. As such there are 4 scenarios – two for \$538,000 with 20-year and 30-year paybacks and two for \$540,000 with 20-year and 30-year paybacks. The average annual debt service on those scenarios ranges from \$29,241 to \$36,797 or \$2,437 to \$3,082 per month. Based on the current customer count of 1,065, the monthly impact per account would range from \$2.28 to \$2.89.

However, it should be noted that the TWDB requires a Reserve Fund to be built up in the first 5 years of the loan. Ms. Burger-Entrekin's attached email indicates that amortization schedules have been structured to lower the requirements for the first five (5) years in order to pay into the Reserve Fund thereby keeping the annual requirements as uniform as possible. However, the interest rates would be higher.

Staff continues to believe that there could be some "rate relief" by prepaying the remaining required amount to the USDA (\$892/mo.).

Staff Recommendation:

Work with Ms. Burger-Entrekin and Mr. Valdez on a loan application with the Texas Water Development Board for either a 20-year or 30-year loan.

Board Action:

Determine whether to authorize staff to work with Ms. Burger-Entrekin and Mr. Valdez on a loan application with the Texas Water Development Board. If so, determine whether to apply for a 20-year or 30-year loan and whether to request a uniform annual requirement based on including the 5-year Reserve Fund build-up.

Summarization:

As discussed with Board President Baldemar Garcia, my retirement may occur prior to some of the main project tasks. Nonetheless, STWA staff, including my replacement, will work with consultants and TxDOT to ensure that the Corporation's interests are protected.

mcserrato@stwa.org

From: Leonel Tovar <Leonel.Tovar@txdot.gov>
Sent: Friday, April 9, 2021 11:11 AM
To: Mario Mendez
Cc: mcserrato@stwa.org
Subject: RE: US 77 Kingsville (0102-04-099) - Ricardo Water Supply Corp. (U15993) - Audit Retainage Payment

Mario,

Please see below for her contact information.

Carola G. Serrato
General Manager
Ricardo Water Supply Corporation
2302 East Sage Rd
Kingsville, Texas 78363
Phone: 361-592-1720 x112
Email: mcserrato@stwa.org

Thank you for your help.

Regards,
Leo



Texas Department of Transportation

Leonel (Leo) Tovar
District Utility Coordinator
Texas Dept. of Transportation
Corpus Christi District
1701 S. Padre Island Dr. Corpus Christi, Tx, 78416
M: 361-945-9282 | O: 361-808-2257
Leonel.Tovar@txdot.gov

From: Mario Mendez
Sent: Friday, April 09, 2021 10:59 AM
To: Leonel Tovar <Leonel.Tovar@txdot.gov>
Cc: mcserrato@stwa.org
Subject: RE: US 77 Kingsville (0102-04-099) - Ricardo Water Supply Corp. (U15993) - Audit Retainage Payment

Leo,

I'm not sure how the process works, but if you can provide me with Mrs. Serrato's contact information to forward to Tonya.

Thank you,
Mario Mendez

From: Leonel Tovar
Sent: Friday, April 09, 2021 10:52 AM

To: Mario Mendez <Mario.Mendez@txdot.gov>

Cc: mcgsserrato@stwa.org

Subject: RE: US 77 Kingsville (0102-04-099) - Ricardo Water Supply Corp. (U15993) - Audit Retainage Payment

Mario,

Thank you for your assistance on this matter, can Tonya provide a list of the documents Ricardo Water is needing to provide so Mrs. Serrato can get these together?

Thanks,

Leo



Texas Department of Transportation

Leonel (Leo) Tovar

District Utility Coordinator

Texas Dept. of Transportation

Corpus Christi District

1701 S. Padre Island Dr. Corpus Christi, Tx, 78416

M: 361-945-9282 | O: 361-808-2257

Leonel.Tovar@txdot.gov

From: Mario Mendez

Sent: Friday, April 09, 2021 10:23 AM

To: Leonel Tovar <Leonel.Tovar@txdot.gov>

Cc: mcgsserrato@stwa.org

Subject: RE: US 77 Kingsville (0102-04-099) - Ricardo Water Supply Corp. (U15993) - Audit Retainage Payment

Leo,

This audit retainage has been escalated. The anticipated start date is 4/15/2021 with an estimated completion date of 6/15/2021.

Tonya Shaw should be reaching out to the utility company. Please have Ricardo Water Supply provide all the required documentation to complete this audit as quick as possible.

Thank you,



Texas Department of Transportation

Mario Mendez, CTCM | Project Delivery Utility Specialist

Office: (214) 320-6103 | Mobile: (210) 303-3672

ROW would love to hear from you!

Please [click here](#) to participate in this brief customer service survey.

From: Leonel Tovar

Sent: Thursday, April 08, 2021 5:23 PM

To: Mario Mendez <Mario.Mendez@txdot.gov>

Cc: mcgserrato@stwa.org

Subject: US 77 Kingsville (0102-04-099) - Ricardo Water Supply Corp. (U15993) - Audit Retainage Payment

Mario,

Mrs. Carola Serrato with Ricardo Water Supply Corp. reached out to me with concern of their 10% audit retainage not being paid out until 06/15/2022 (per the Utility Audit Timeline dashboard). This creates some financial issues for Ricardo Water Supply since they will need to relocate on a separate project where they are not compensable for reimbursement. Can you please reach out ROW Finance or provide some input so that Ricardo Water Supply Corp can be reimbursed their 10% sooner than the date stated previously? Below is the project information for your reference.

Utility : Ricardo Water Supply Corporation

Payment ID: M00245544

U-number: U15993

Highway: US 77

County: Kleberg

CSJ: 0102-04-099

RCSJ: 0102-04-100

Limits: From FM 1356 to CR 2130

Let Date: May 2020

Carola,

Please feel free to provide any input and details.

Thanks,

Leo



Texas Department of Transportation

Leonel (Leo) Tovar

District Utility Coordinator

Texas Dept. of Transportation

Corpus Christi District

1701 S. Padre Island Dr. Corpus Christi, Tx, 78416

M: 361-945-9282 | O: 361-808-2257

Leonel.Tovar@txdot.gov



From: Leonel Tovar <Leonel.Tovar@txdot.gov>
Sent: Thursday, April 8, 2021 5:23 PM
To: Mario Mendez
Cc: mcserrato@stwa.org
Subject: US 77 Kingsville (0102-04-099) - Ricardo Water Supply Corp. (U15993) - Audit Retainage Payment

Mario,

Mrs. Carola Serrato with Ricardo Water Supply Corp. reached out to me with concern of their 10% audit retainage not being paid out until 06/15/2022 (per the Utility Audit Timeline dashboard). This creates some financial issues for Ricardo Water Supply since they will need to relocate on a separate project where they are not compensable for reimbursement. Can you please reach out ROW Finance or provide some input so that Ricardo Water Supply Corp can be reimbursed their 10% sooner than the date stated previously? Below is the project information for your reference.

Utility : Ricardo Water Supply Corporation
Payment ID: M00245544
U-number: U15993
Highway: US 77
County: Kleberg
CSJ: 0102-04-099
RCSJ: 0102-04-100
Limits: From FM 1356 to CR 2130
Let Date: May 2020

Carola,

Please feel free to provide any input and details.

Thanks,
Leo



Texas Department of Transportation

Leonel (Leo) Tovar

District Utility Coordinator

Texas Dept. of Transportation

Corpus Christi District

1701 S. Padre Island Dr. Corpus Christi, Tx, 78416

M: 361-945-9282 | O: 361-808-2257

Leonel.Tovar@txdot.gov



From: Noel Valdez <nvaldez@mphlegal.com>
Sent: Thursday, March 25, 2021 5:18 PM
To: Anne Burger Entrekin (HTS); mcgserrato@stwa.org
Cc: 'Dony Cantu'; 'Frances Rosales'; 'Jo Ella Wagner'; ngomez@stwa.org; Mary Ann Gennero (HTS); Eric Villarreal
Subject: RE: Ricardo WSC - Funding Options - TXDOT Adjustments

Hi Ms. Serrato,

Anne is correct in that we will draft the authorizing document broadly to provide for other uses should bids come in under budget. We will want to communicate this request to TWDB to make sure that their approving resolution allows for usage of surplus proceeds for other projects. TWDB will usually allow this but they will want their further approval to be attained prior to the use of surplus proceeds.

As always, please call us with any questions.

MCCALL
PARKHURST & HORTON



Noel Valdez
112 E. Pecan Street, Suite 1310, San Antonio, TX 78205
Office: 210.225.2800 Cell: 210.464.7644

From: Anne Burger Entrekin (HTS) <Anne.BurgerEntrekin@hilltopsecurities.com>
Sent: Thursday, March 25, 2021 5:11 PM
To: mcgserrato@stwa.org
Cc: 'Dony Cantu' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>; ngomez@stwa.org; Noel Valdez <nvaldez@mphlegal.com>; Mary Ann Gennero (HTS) <MaryAnn.Gennero@hilltopsecurities.com>; Eric Villarreal <evillarreal@Invinc.com>
Subject: RE: Ricardo WSC - Funding Options - TXDOT Adjustments

Hi Carola,

Yes, we will work with Noel in the preparation of the authorizing documents for the description of the project such that if the relocation costs come in under budget, they would be able to use the extra funds for system repairs and improvements.

Noel, can you please confirm this for Carola?

Thanks and hope you have a nice evening!

Anne

Anne Burger Entrekin
Regional Managing Director
Hilltop Securities
70 NE Loop 410, Suite 710, San Antonio, TX 78216
Direct: 210.308.2200 | Toll Free: 877.293.0934 | Fax: 210.349.7585 | Mobile: 210.870.7685
Anne.Burgerentrekin@hilltopsecurities.com

Please note: Our email has changed. Please update your contact info.

From: mcgserrato@stwa.org <mcgserrato@stwa.org>

Sent: Thursday, March 25, 2021 4:59 PM

To: Anne Burger Entrekin (HTS) <Anne.BurgerEntrekin@hilltopsecurities.com>

Cc: 'Dony Cantu' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>; ngomez@stwa.org; 'Noel Valdez' <nvaldez@mphlegal.com>; Mary Ann Gennero (HTS) <MaryAnn.Gennero@hilltopsecurities.com>; Eric Villarreal <evillarreal@irvinc.com>

Subject: RE: Ricardo WSC - Funding Options - TXDOT Adjustments

EXTERNAL SENDER

Anne,

Yes, I would appreciate getting those figures for the \$538,000 and \$540,000. Did we get an answer on what happens if the bid costs are lower than the engineer's estimate? Would RWSC be able to use the funds for other repairs/improvements?

Thank-you for all your help,

Carola

Carola G. Serrato

General Manager

Ricardo Water Supply Corporation

2302 East Sage Rd

Kingsville, Texas 78363

361-592-3952 x112

From: Anne Burger Entrekin (HTS) <Anne.BurgerEntrekin@hilltopsecurities.com>

Sent: Thursday, March 25, 2021 4:40 PM

To: Carola Serrato <mcgserrato@stwa.org>

Cc: Dony Cantu <dcantu@stwa.org>; Frances Rosales <fvrosales@stwa.org>; Jo Ella Wagner <jwagner@stwa.org>; ngomez@stwa.org; Noel Valdez (<nvaldez@mphlegal.com>) <nvaldez@mphlegal.com>; Mary Ann Gennero (HTS) <MaryAnn.Gennero@hilltopsecurities.com>

Subject: RE: Ricardo WSC - Funding Options - TXDOT Adjustments

Hi Carola,

Please see below the projected COI. Generally the TWDB does bond issues in \$5,000 increments. However, for a similar bond issue size, I was able to negotiate the ability to use increments of \$1,000.

Based on the projected Project Fund deposit of \$505,000, the cost of issuance are projected to be \$33,000. If we can use \$1,000 increments, that would result in a projected bond issue size of \$538,000. If we have to use \$5,000 increments, the be a projected \$540,000, but then they would have \$507,000 for the Project Fund.

If the actual cost of issuance are less than projected, the additional funds would be sent to Ricardo WSC and be deposited into the Project Fund.

Would you still like for us run projected debt service estimates based on the projected amount for total par, for both 20 and 30 years?

Thanks,

Anne

Ricardo WSC
\$505,000 Project Fund Deposit
Estimated Costs of Issuance

Estimated Costs of Issuance	\$ 505,000
	Series 2021
Financial Advisory Fee	\$ 10,000
Bond Counsel Fee	15,000
Bond Counsel Expenses	2,500
Attorney General's Fee	750
Document Preparation, Printing and Distribution	1,500
Paying Agent/Registrar	500
Escrow Agent	500
CUSIP	1,000
Miscellaneous	1,250
Total	\$ 33,000

Projected Par \$ 538,000

Anne Burger Entrekin
Regional Managing Director
Hilltop Securities
70 NE Loop 410, Suite 710, San Antonio, TX 78216
Direct: 210.308.2200 | Toll Free: 877.293.0934 | Fax: 210.349.7585 | Mobile: 210.870.7685
Anne.BurgerEntrekin@hilltopsecurities.com

Please note: Our email has changed. Please update your contact info.

From: Carola Serrato <mcseerrato@stwa.org>
Sent: Wednesday, March 24, 2021 6:41 PM
To: Anne Burger Entrekin (HTS) <Anne.BurgerEntrekin@hilltopsecurities.com>
Cc: Dony Cantu <dcantu@stwa.org>; Frances Rosales <fvrosales@stwa.org>; Jo Ella Wagner <jwagner@stwa.org>;
ngomez@stwa.org
Subject: Re: Ricardo WSC - Funding Options - TXDOT Adjustments

EXTERNAL SENDER

Any estimate on those costs?
CGS

Sent from my iPhone

On Mar 24, 2021, at 5:40 PM, Anne Burger Entekin (HTS) <Anne.BurgerEntekin@hilltopsecurities.com> wrote:

Hi Carola,

Absolutely! Quick question. We discussed the \$505,000 amount. There will be some costs of issuance. Should those be added to the \$505,000 or will those be paid out of current funds available?

Thanks,

Anne

Anne Burger Entekin
Regional Managing Director
Hilltop Securities
70 NE Loop 410, Suite 710, San Antonio, TX 78216
Direct: 210.308.2200 | Toll Free: 877.293.0934 | Fax: 210.349.7585 | Mobile: 210.870.7685
Anne.Burgerentekin@hilltopsecurities.com

Please note: Our email has changed. Please update your contact info.

From: mcserrato@stwa.org <mcserrato@stwa.org>
Sent: Wednesday, March 24, 2021 5:26 PM
To: Anne Burger Entekin (HTS) <Anne.BurgerEntekin@hilltopsecurities.com>
Cc: 'Dony Cantu' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>; ngomez@stwa.org
Subject: RE: Ricardo WSC - Funding Options - TXDOT Adjustments

EXTERNAL SENDER

Yes, please run a sample debt service schedule. If it is alright, could you show the 20 year and 30 year schedule.

Thanks,
Carola

Carola G. Serrato
General Manager
Ricardo Water Supply Corporation
2302 East Sage Rd
Kingsville, Texas 78363
361-592-3952 x112

From: Anne Burger Entekin (HTS) <Anne.BurgerEntekin@hilltopsecurities.com>
Sent: Wednesday, March 24, 2021 5:10 PM
To: mcserrato@stwa.org
Cc: 'Dony Cantu' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jo Ella Wagner'

<lwagner@stwa.org>; ngomez@stwa.org

Subject: RE: Ricardo WSC - Funding Options - TXDOT Adjustments

Hi Carola,

I hope you are doing well.

I had a very productive call with Dain Larson with the TWDB. Please see below an email he sent as a follow-up along with the interest rates attached. I believe the DFund, versus the RWF program we discussed, could be more advantageous. They will do 30 year loans based on the attached interest rates. The challenge is that those rates are as of 1/16/2020 and potentially higher than current market interest rates.

He did not answer one of the questions I asked regarding if we could use a Reimbursement Resolution in DFund. I caught him just before he was leaving for his first vacation since before COVID. He indicated he would get me what he could before he left and follow-up when he returned. I will check in with him about the Reimbursement Resolution.

Would you like for us to run sample debt service schedules based on the attached rates for a 30 year loan? These are at rates higher than you projected. Based on what we determine the True Interest Cost to be, perhaps we can analyze and project what we think a Bond Placement rate could be.

Thanks and hope you have a nice evening!

Anne

Anne,

I got some feedback about your RWF and Dfund questions.

1. RWF- It is available, and apparently there's a sales tax exemption. I'm not sure if you're aware of that already. I can check on that some more if you're not. We actually fund it with Dfund taxable because there's no advantage to us to fund it with AMT bonds. And we can fund 30 years.
2. Dfund- We do have rates for 30 years, it was just a decision about the website posting to only show 20 years, no policy restriction or other issue. I'll attach our current rate sheet from our January 2020 issuance. I'm not connecting the dots on the explanation for why the different spread with market for taxable and tax-exempt. It sounds like the timing can cause this because we acquired funds in early 2020, but what I see is that we obtained funds in January 2020 for both taxable and tax-exempt.

Thanks.

Dain

Anne Burger Entekin
Regional Managing Director
Hilltop Securities
70 NE Loop 410, Suite 710, San Antonio, TX 78216
Direct: 210.308.2200 | Toll Free: 877.293.0934 | Fax: 210.349.7585 | Mobile: 210.870.7685
Anne.Burgerentekin@hilltopsecurities.com

Please note: Our email has changed. Please update your contact info.

From: mcserrato@stwa.org <mcserrato@stwa.org>
Sent: Wednesday, March 24, 2021 11:39 AM
To: Anne Burger Entrekin (HTS) <Anne.BurgerEntrekin@hilltopsecurities.com>
Cc: 'Dony Cantu' <dcantu@stwa.org>; 'Frances Rosales' <fyrosales@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>; ngomez@stwa.org
Subject: Ricardo WSC - Funding Options - TXDOT Adjustments

EXTERNAL SENDER

Anne,

I am wondering if you have any information pertaining to our recent conversation about Ricardo WSC's funding options to address the TxDOT required adjustments.

The RWSC Board is meeting on April 13th for their Annual Membership Meeting followed by a regular board meeting. I was hoping to offer some options and receive their direction on how to proceed.

Thanks,
Carola

Carola G. Serrato
General Manager
Ricardo Water Supply Corporation
2302 East Sage Rd
Kingsville, Texas 78363
361-592-3952 x112

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Bond Summary Statistics
Ricardo WSC, TX
Taxable DFund Scenarios
Taxable DFund Scale as of 1.16.20
Preliminary

	\$538,000 Taxable DFund Project - 20 years	\$538,000 Taxable DFund Project - 30 years	\$540,000 Taxable DFund Project - 20 years	\$540,000 Taxable DFund Project - 30 years
Dated Date	6/1/2021	6/1/2021	6/1/2021	6/1/2021
Delivery Date	6/1/2021	6/1/2021	6/1/2021	6/1/2021
First Coupon	8/15/2021	8/15/2021	8/15/2021	8/15/2021
Last Maturity	8/15/2041	8/15/2051	8/15/2041	8/15/2051
Arbitrage Yield	3.193473%	3.521336%	3.191928%	3.520031%
True Interest Cost (TIC)	3.193473%	3.521336%	3.191928%	3.520031%
Net Interest Cost (NIC)	3.223938%	3.557477%	3.222117%	3.556389%
All-In TIC	3.877380%	4.028038%	3.913138%	4.054406%
Average Coupon	3.223938%	3.557477%	3.222117%	3.556389%
Average Life (years)	11.648	18.038	11.696	18.104
Duration of Issue (years)	9.531	12.907	9.573	12.964
Par Amount	538,000.00	538,000.00	540,000.00	540,000.00
Bond Proceeds	538,000.00	538,000.00	540,000.00	540,000.00
Total Interest	202,030.97	345,238.55	203,508.91	347,672.57
Net Interest	202,030.97	345,238.55	203,508.91	347,672.57
Bond Years from Dated Date	6,266,588.89	9,704,588.89	6,316,000.00	9,776,000.00
Bond Years from Delivery Date	6,266,588.89	9,704,588.89	6,316,000.00	9,776,000.00
Total Debt Service	740,030.97	883,238.55	743,508.91	887,672.57
Maximum Annual Debt Service	37,338.90	29,810.40	39,699.00	32,044.00
Average Annual Debt Service	36,625.12	29,240.93	36,797.25	29,387.73
Underwriter's Fees (per \$1000)				
Average Takedown				
Other Fee				
Total Underwriter's Discount				
Bid Price	100.000000	100.000000	100.000000	100.000000

Sources and Uses of Funds
Ricardo WSC, TX
Taxable DFund Scenarios
Taxable DFund Scale as of 1.16.20

Preliminary

Dated Date 6/1/2021
Delivery
Date 6/1/2021

	\$538,000	\$538,000	\$540,000	\$540,000
	Taxable	Taxable	Taxable	Taxable
	DFund	DFund	DFund	DFund
	Project - 20	Project - 30	Project - 20	Project - 30
Sources:	years	years	years	years
Bond Proceeds:				
Par Amount	538,000.00	538,000.00	540,000.00	540,000.00
	538,000.00	538,000.00	540,000.00	540,000.00
	\$538,000	\$538,000	\$540,000	\$540,000
	Taxable	Taxable	Taxable	Taxable
	DFund	DFund	DFund	DFund
	Project - 20	Project - 30	Project - 20	Project - 30
Uses:	years	years	years	years
Project Fund Deposits:				
Project Fund	505,000.00	505,000.00	505,000.00	505,000.00
Delivery Date Expenses:				
Cost of Issuance	33,000.00	33,000.00	35,000.00	35,000.00
	538,000.00	538,000.00	540,000.00	540,000.00

Sources and Uses of Funds
Ricardo WSC, TX
\$538,000 Taxable DFund Project - 20 years
Taxable DFund Scale as of 1.16.20

Preliminary

Dated Date 6/1/2021
Delivery
Date 6/1/2021

Sources:

Bond Proceeds:

Par Amount	538,000.00
	<hr/>
	538,000.00

Uses:

Project Fund Deposits:

Project Fund	505,000.00
--------------	------------

Delivery Date Expenses:

Cost of Issuance	33,000.00
	<hr/>
	538,000.00

Bond Summary Statistics
Ricardo WSC, TX
\$538,000 Taxable DFund Project - 20 years
Taxable DFund Scale as of 1.16.20
Preliminary

Dated Date	6/1/2021
Delivery Date	6/1/2021
First Coupon	8/15/2021
Last Maturity	8/15/2041
Arbitrage Yield	3.193473%
True Interest Cost (TIC)	3.193473%
Net Interest Cost (NIC)	3.223938%
All-In TIC	3.877380%
Average Coupon	3.223938%
Average Life (years)	11.648
Duration of Issue (years)	9.531
Par Amount	538,000.00
Bond Proceeds	538,000.00
Total Interest	202,030.97
Net Interest	202,030.97
Bond Years from Dated Date	6,266,588.89
Bond Years from Delivery Date	6,266,588.89
Total Debt Service	740,030.97
Maximum Annual Debt Service	37,338.90
Average Annual Debt Service	36,625.12
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	
Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Serial Bond	538,000.00	100.000	3.224%	11.648	496.92
	538,000.00			11.648	496.92

	TIC	All-In TIC	Arbitrage Yield	
Par Value	538,000.00		538,000.00	538,000.00
+ Accrued Interest				
+ Premium (Discount)				
- Underwriter's Discount				
- Cost of Issuance Expense			(33,000.00)	
- Other Amounts				
Target Value	538,000.00		505,000.00	538,000.00
Target Date	6/1/2021		6/1/2021	6/1/2021
Yield	3.193473%		3.877380%	3.193473%

Bond Pricing
Ricardo WSC, TX
\$538,000 Taxable DFund Project - 20 years
Taxable DFund Scale as of 1.16.20

Bond Component	Preliminary				
	Maturity Date	Amount	Rate	Yield	Price
Serial Bond:					
	8/15/2022	21,000	2.020%	2.020%	100.000
	8/15/2023	21,000	2.070%	2.070%	100.000
	8/15/2024	22,000	2.120%	2.120%	100.000
	8/15/2025	22,000	2.210%	2.210%	100.000
	8/15/2026	23,000	2.320%	2.320%	100.000
	8/15/2027	23,000	2.420%	2.420%	100.000
	8/15/2028	24,000	2.540%	2.540%	100.000
	8/15/2029	24,000	2.640%	2.640%	100.000
	8/15/2030	25,000	2.730%	2.730%	100.000
	8/15/2031	26,000	2.830%	2.830%	100.000
	8/15/2032	27,000	2.930%	2.930%	100.000
	8/15/2033	27,000	3.020%	3.020%	100.000
	8/15/2034	28,000	3.110%	3.110%	100.000
	8/15/2035	29,000	3.200%	3.200%	100.000
	8/15/2036	30,000	3.260%	3.260%	100.000
	8/15/2037	31,000	3.360%	3.360%	100.000
	8/15/2038	32,000	3.640%	3.640%	100.000
	8/15/2039	33,000	3.640%	3.640%	100.000
	8/15/2040	34,000	3.640%	3.640%	100.000
	8/15/2041	36,000	3.640%	3.640%	100.000
		538,000			

Dated Date	6/1/2021	
Delivery Date	6/1/2021	
First Coupon	8/15/2021	
Par Amount	538,000.00	
Original Issue Discount	-----	
	--	
Production	538,000.00	100.000000%
Underwriter's Discount	-----	
	--	
Purchase Price	538,000.00	100.000000%
Accrued Interest	-----	
	--	
Net Proceeds	538,000.00	

Bond Debt Service
Ricardo WSC, TX
\$538,000 Taxable DFund Project - 20 years
Taxable DFund Scale as of 1.16.20

Period Ending	Preliminary		Debt Service
	Principal	Interest	
12/31/2021		3,268.77	3,268.77
12/31/2022	21,000	15,902.10	36,902.10
12/31/2023	21,000	15,477.90	36,477.90
12/31/2024	22,000	15,043.20	37,043.20
12/31/2025	22,000	14,576.80	36,576.80
12/31/2026	23,000	14,090.60	37,090.60
12/31/2027	23,000	13,557.00	36,557.00
12/31/2028	24,000	13,000.40	37,000.40
12/31/2029	24,000	12,390.80	36,390.80
12/31/2030	25,000	11,757.20	36,757.20
12/31/2031	26,000	11,074.70	37,074.70
12/31/2032	27,000	10,338.90	37,338.90
12/31/2033	27,000	9,547.80	36,547.80
12/31/2034	28,000	8,732.40	36,732.40
12/31/2035	29,000	7,861.60	36,861.60
12/31/2036	30,000	6,933.60	36,933.60
12/31/2037	31,000	5,955.60	36,955.60
12/31/2038	32,000	4,914.00	36,914.00
12/31/2039	33,000	3,749.20	36,749.20
12/31/2040	34,000	2,548.00	36,548.00
12/31/2041	36,000	1,310.40	37,310.40
	538,000	202,030.97	740,030.97

Bond Debt Service
Ricardo WSC, TX
\$538,000 Taxable DFund Project - 20 years
Taxable DFund Scale as of 1.16.20
Preliminary

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
8/15/2021		3,268.77	3,268.77	
12/31/2021				3,268.77
2/15/2022		7,951.05	7,951.05	
8/15/2022	21,000	7,951.05	28,951.05	
12/31/2022				36,902.10
2/15/2023		7,738.95	7,738.95	
8/15/2023	21,000	7,738.95	28,738.95	
12/31/2023				36,477.90
2/15/2024		7,521.60	7,521.60	
8/15/2024	22,000	7,521.60	29,521.60	
12/31/2024				37,043.20
2/15/2025		7,288.40	7,288.40	
8/15/2025	22,000	7,288.40	29,288.40	
12/31/2025				36,576.80
2/15/2026		7,045.30	7,045.30	
8/15/2026	23,000	7,045.30	30,045.30	
12/31/2026				37,090.60
2/15/2027		6,778.50	6,778.50	
8/15/2027	23,000	6,778.50	29,778.50	
12/31/2027				36,557.00
2/15/2028		6,500.20	6,500.20	
8/15/2028	24,000	6,500.20	30,500.20	
12/31/2028				37,000.40
2/15/2029		6,195.40	6,195.40	
8/15/2029	24,000	6,195.40	30,195.40	
12/31/2029				36,390.80
2/15/2030		5,878.60	5,878.60	
8/15/2030	25,000	5,878.60	30,878.60	
12/31/2030				36,757.20
2/15/2031		5,537.35	5,537.35	
8/15/2031	26,000	5,537.35	31,537.35	
12/31/2031				37,074.70
2/15/2032		5,169.45	5,169.45	
8/15/2032	27,000	5,169.45	32,169.45	
12/31/2032				37,338.90
2/15/2033		4,773.90	4,773.90	
8/15/2033	27,000	4,773.90	31,773.90	
12/31/2033				36,547.80
2/15/2034		4,366.20	4,366.20	
8/15/2034	28,000	4,366.20	32,366.20	
12/31/2034				36,732.40
2/15/2035		3,930.80	3,930.80	
8/15/2035	29,000	3,930.80	32,930.80	
12/31/2035				36,861.60
2/15/2036		3,466.80	3,466.80	
8/15/2036	30,000	3,466.80	33,466.80	
12/31/2036				36,933.60
2/15/2037		2,977.80	2,977.80	

Bond Debt Service
 Ricardo WSC, TX
 \$538,000 Taxable DFund Project - 20 years
 Taxable DFund Scale as of 1.16.20
 Preliminary

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
8/15/2037	31,000	2,977.80	33,977.80	
12/31/2037				36,955.60
2/15/2038		2,457.00	2,457.00	
8/15/2038	32,000	2,457.00	34,457.00	
12/31/2038				36,914.00
2/15/2039		1,874.60	1,874.60	
8/15/2039	33,000	1,874.60	34,874.60	
12/31/2039				36,749.20
2/15/2040		1,274.00	1,274.00	
8/15/2040	34,000	1,274.00	35,274.00	
12/31/2040				36,548.00
2/15/2041		655.20	655.20	
8/15/2041	36,000	655.20	36,655.20	
12/31/2041				37,310.40
	538,000	202,030.97	740,030.97	740,030.97

Sources and Uses of Funds
Ricardo WSC, TX
\$538,000 Taxable DFund Project - 30 years
Taxable DFund Scale as of 1.16.20

Preliminary

Dated Date 6/1/2021
Delivery
Date 6/1/2021

Sources:

Bond Proceeds:

Par Amount	538,000.00
	<hr/>
	538,000.00
	<hr/>

Uses:

Project Fund Deposits:

Project Fund	505,000.00
--------------	------------

Delivery Date Expenses:

Cost of Issuance	33,000.00
	<hr/>
	538,000.00
	<hr/>

Bond Summary Statistics
Ricardo WSC, TX
\$538,000 Taxable DFund Project - 30 years
Taxable DFund Scale as of 1.16.20
Preliminary

Dated Date	6/1/2021
Delivery Date	6/1/2021
First Coupon	8/15/2021
Last Maturity	8/15/2051
Arbitrage Yield	3.521336%
True Interest Cost (TIC)	3.521336%
Net Interest Cost (NIC)	3.557477%
All-In TIC	4.028038%
Average Coupon	3.557477%
Average Life (years)	18.038
Duration of Issue (years)	12.907
Par Amount	538,000.00
Bond Proceeds	538,000.00
Total Interest	345,238.55
Net Interest	345,238.55
Bond Years from Dated Date	9,704,588.89
Bond Years from Delivery Date	9,704,588.89
Total Debt Service	883,238.55
Maximum Annual Debt Service	29,810.40
Average Annual Debt Service	29,240.93
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	

Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Serial Bond	538,000.00	100.000	3.557%	18.038	669.03
	538,000.00			18.038	669.03

	TIC	All-In TIC	Arbitrage Yield	
	-----	-----	-----	
Par Value	538,000.00		538,000.00	538,000.00
+ Accrued Interest				
+ Premium (Discount)				
- Underwriter's Discount				
- Cost of Issuance Expense			(33,000.00)	
- Other Amounts				
Target Value	538,000.00		505,000.00	538,000.00
Target Date	6/1/2021		6/1/2021	6/1/2021
Yield	3.521336%		4.028038%	3.521336%

Bond Pricing
Ricardo WSC, TX
\$538,000 Taxable DFund Project - 30 years
Taxable DFund Scale as of 1.16.20

Bond Component	Preliminary				
	Maturity Date	Amount	Rate	Yield	Price
Serial Bond:	8/15/2022	12,000	2.020%	2.020%	100.000
	8/15/2023	12,000	2.070%	2.070%	100.000
	8/15/2024	12,000	2.120%	2.120%	100.000
	8/15/2025	12,000	2.210%	2.210%	100.000
	8/15/2026	13,000	2.320%	2.320%	100.000
	8/15/2027	13,000	2.420%	2.420%	100.000
	8/15/2028	13,000	2.540%	2.540%	100.000
	8/15/2029	13,000	2.640%	2.640%	100.000
	8/15/2030	14,000	2.730%	2.730%	100.000
	8/15/2031	14,000	2.830%	2.830%	100.000
	8/15/2032	15,000	2.930%	2.930%	100.000
	8/15/2033	15,000	3.020%	3.020%	100.000
	8/15/2034	16,000	3.110%	3.110%	100.000
	8/15/2035	16,000	3.200%	3.200%	100.000
	8/15/2036	16,000	3.260%	3.260%	100.000
	8/15/2037	17,000	3.360%	3.360%	100.000
	8/15/2038	18,000	3.640%	3.640%	100.000
	8/15/2039	18,000	3.640%	3.640%	100.000
	8/15/2040	19,000	3.640%	3.640%	100.000
	8/15/2041	20,000	3.640%	3.640%	100.000
	8/15/2042	20,000	3.640%	3.640%	100.000
	8/15/2043	21,000	3.750%	3.750%	100.000
	8/15/2044	22,000	3.750%	3.750%	100.000
	8/15/2045	23,000	3.750%	3.750%	100.000
	8/15/2046	24,000	3.750%	3.750%	100.000
	8/15/2047	24,000	3.750%	3.750%	100.000
	8/15/2048	25,000	3.750%	3.750%	100.000
	8/15/2049	26,000	3.750%	3.750%	100.000
	8/15/2050	27,000	3.750%	3.750%	100.000
	8/15/2051	28,000	3.750%	3.750%	100.000
		538,000			

Dated Date	6/1/2021	
Delivery Date	6/1/2021	
First Coupon	8/15/2021	
Par Amount	538,000.00	
Original Issue Discount		
Production	538,000.00	100.000000%
Underwriter's Discount		
Purchase Price	538,000.00	100.000000%
Accrued Interest		
Net Proceeds	538,000.00	

Bond Debt Service
Ricardo WSC, TX
\$538,000 Taxable DFund Project - 30 years
Taxable DFund Scale as of 1.16.20

Period Ending	Preliminary		Debt Service
	Principal	Interest	
12/31/2021		3,655.05	3,655.05
12/31/2022	12,000	17,781.30	29,781.30
12/31/2023	12,000	17,538.90	29,538.90
12/31/2024	12,000	17,290.50	29,290.50
12/31/2025	12,000	17,036.10	29,036.10
12/31/2026	13,000	16,770.90	29,770.90
12/31/2027	13,000	16,469.30	29,469.30
12/31/2028	13,000	16,154.70	29,154.70
12/31/2029	13,000	15,824.50	28,824.50
12/31/2030	14,000	15,481.30	29,481.30
12/31/2031	14,000	15,099.10	29,099.10
12/31/2032	15,000	14,702.90	29,702.90
12/31/2033	15,000	14,263.40	29,263.40
12/31/2034	16,000	13,810.40	29,810.40
12/31/2035	16,000	13,312.80	29,312.80
12/31/2036	16,000	12,800.80	28,800.80
12/31/2037	17,000	12,279.20	29,279.20
12/31/2038	18,000	11,708.00	29,708.00
12/31/2039	18,000	11,052.80	29,052.80
12/31/2040	19,000	10,397.60	29,397.60
12/31/2041	20,000	9,706.00	29,706.00
12/31/2042	20,000	8,978.00	28,978.00
12/31/2043	21,000	8,250.00	29,250.00
12/31/2044	22,000	7,462.50	29,462.50
12/31/2045	23,000	6,637.50	29,637.50
12/31/2046	24,000	5,775.00	29,775.00
12/31/2047	24,000	4,875.00	28,875.00
12/31/2048	25,000	3,975.00	28,975.00
12/31/2049	26,000	3,037.50	29,037.50
12/31/2050	27,000	2,062.50	29,062.50
12/31/2051	28,000	1,050.00	29,050.00
	538,000	345,238.55	883,238.55

Bond Debt Service
Ricardo WSC, TX
\$538,000 Taxable DFund Project - 30 years
Taxable DFund Scale as of 1.16.20
Preliminary

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
8/15/2021		3,655.05	3,655.05	
12/31/2021				3,655.05
2/15/2022		8,890.65	8,890.65	
8/15/2022	12,000	8,890.65	20,890.65	
12/31/2022				29,781.30
2/15/2023		8,769.45	8,769.45	
8/15/2023	12,000	8,769.45	20,769.45	
12/31/2023				29,538.90
2/15/2024		8,645.25	8,645.25	
8/15/2024	12,000	8,645.25	20,645.25	
12/31/2024				29,290.50
2/15/2025		8,518.05	8,518.05	
8/15/2025	12,000	8,518.05	20,518.05	
12/31/2025				29,036.10
2/15/2026		8,385.45	8,385.45	
8/15/2026	13,000	8,385.45	21,385.45	
12/31/2026				29,770.90
2/15/2027		8,234.65	8,234.65	
8/15/2027	13,000	8,234.65	21,234.65	
12/31/2027				29,469.30
2/15/2028		8,077.35	8,077.35	
8/15/2028	13,000	8,077.35	21,077.35	
12/31/2028				29,154.70
2/15/2029		7,912.25	7,912.25	
8/15/2029	13,000	7,912.25	20,912.25	
12/31/2029				28,824.50
2/15/2030		7,740.65	7,740.65	
8/15/2030	14,000	7,740.65	21,740.65	
12/31/2030				29,481.30
2/15/2031		7,549.55	7,549.55	
8/15/2031	14,000	7,549.55	21,549.55	
12/31/2031				29,099.10
2/15/2032		7,351.45	7,351.45	
8/15/2032	15,000	7,351.45	22,351.45	
12/31/2032				29,702.90
2/15/2033		7,131.70	7,131.70	
8/15/2033	15,000	7,131.70	22,131.70	
12/31/2033				29,263.40
2/15/2034		6,905.20	6,905.20	
8/15/2034	16,000	6,905.20	22,905.20	
12/31/2034				29,810.40
2/15/2035		6,656.40	6,656.40	
8/15/2035	16,000	6,656.40	22,656.40	
12/31/2035				29,312.80
2/15/2036		6,400.40	6,400.40	
8/15/2036	16,000	6,400.40	22,400.40	
12/31/2036				28,800.80
2/15/2037		6,139.60	6,139.60	

Bond Debt Service
Ricardo WSC, TX
\$538,000 Taxable DFund Project - 30 years
Taxable DFund Scale as of 1.16.20
Preliminary

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
8/15/2037	17,000	6,139.60	23,139.60	
12/31/2037				29,279.20
2/15/2038		5,854.00	5,854.00	
8/15/2038	18,000	5,854.00	23,854.00	
12/31/2038				29,708.00
2/15/2039		5,526.40	5,526.40	
8/15/2039	18,000	5,526.40	23,526.40	
12/31/2039				29,052.80
2/15/2040		5,198.80	5,198.80	
8/15/2040	19,000	5,198.80	24,198.80	
12/31/2040				29,397.60
2/15/2041		4,853.00	4,853.00	
8/15/2041	20,000	4,853.00	24,853.00	
12/31/2041				29,706.00
2/15/2042		4,489.00	4,489.00	
8/15/2042	20,000	4,489.00	24,489.00	
12/31/2042				28,978.00
2/15/2043		4,125.00	4,125.00	
8/15/2043	21,000	4,125.00	25,125.00	
12/31/2043				29,250.00
2/15/2044		3,731.25	3,731.25	
8/15/2044	22,000	3,731.25	25,731.25	
12/31/2044				29,462.50
2/15/2045		3,318.75	3,318.75	
8/15/2045	23,000	3,318.75	26,318.75	
12/31/2045				29,637.50
2/15/2046		2,887.50	2,887.50	
8/15/2046	24,000	2,887.50	26,887.50	
12/31/2046				29,775.00
2/15/2047		2,437.50	2,437.50	
8/15/2047	24,000	2,437.50	26,437.50	
12/31/2047				28,875.00
2/15/2048		1,987.50	1,987.50	
8/15/2048	25,000	1,987.50	26,987.50	
12/31/2048				28,975.00
2/15/2049		1,518.75	1,518.75	
8/15/2049	26,000	1,518.75	27,518.75	
12/31/2049				29,037.50
2/15/2050		1,031.25	1,031.25	
8/15/2050	27,000	1,031.25	28,031.25	
12/31/2050				29,062.50
2/15/2051		525.00	525.00	
8/15/2051	28,000	525.00	28,525.00	
12/31/2051				29,050.00
	538,000	345,238.55	883,238.55	883,238.55

Sources and Uses of Funds
Ricardo WSC, TX
\$540,000 Taxable DFund Project - 20 years
Taxable DFund Scale as of 1.16.20

Preliminary

Dated Date 6/1/2021
Delivery
Date 6/1/2021

Sources:

Bond Proceeds:

Par Amount	540,000.00
	<hr/>
	540,000.00

Uses:

Project Fund Deposits:

Project Fund	505,000.00
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Delivery Date Expenses:

Cost of Issuance	35,000.00
	<hr/>
	540,000.00

Bond Summary Statistics
Ricardo WSC, TX
\$540,000 Taxable DFund Project - 20 years
Taxable DFund Scale as of 1.16.20
Preliminary

Dated Date	6/1/2021
Delivery Date	6/1/2021
First Coupon	8/15/2021
Last Maturity	8/15/2041
Arbitrage Yield	3.191928%
True Interest Cost (TIC)	3.191928%
Net Interest Cost (NIC)	3.222117%
All-In TIC	3.913138%
Average Coupon	3.222117%
Average Life (years)	11.696
Duration of Issue (years)	9.573
Par Amount	540,000.00
Bond Proceeds	540,000.00
Total Interest	203,508.91
Net Interest	203,508.91
Bond Years from Dated Date	6,316,000.00
Bond Years from Delivery Date	6,316,000.00
Total Debt Service	743,508.91
Maximum Annual Debt Service	39,699.00
Average Annual Debt Service	36,797.25
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	

Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Serial Bond	540,000.00	100.000	3.222%	11.696	501.10
	540,000.00			11.696	501.10

	TIC	All-In TIC	Arbitrage Yield	
	-----	-----	-----	
Par Value		540,000.00	540,000.00	540,000.00
+ Accrued Interest				
+ Premium (Discount)				
- Underwriter's Discount				
- Cost of Issuance Expense			(35,000.00)	
- Other Amounts				
Target Value	-----	-----	-----	-----
Target Value		540,000.00	505,000.00	540,000.00
Target Date		6/1/2021	6/1/2021	6/1/2021
Yield		3.191928%	3.913138%	3.191928%

Bond Pricing
Ricardo WSC, TX
\$540,000 Taxable DFund Project - 20 years
Taxable DFund Scale as of 1.16.20

Bond Component	Preliminary				
	Maturity Date	Amount	Rate	Yield	Price
Serial Bond:					
	8/15/2022	20,000	2.020%	2.020%	100.000
	8/15/2023	20,000	2.070%	2.070%	100.000
	8/15/2024	20,000	2.120%	2.120%	100.000
	8/15/2025	20,000	2.210%	2.210%	100.000
	8/15/2026	25,000	2.320%	2.320%	100.000
	8/15/2027	25,000	2.420%	2.420%	100.000
	8/15/2028	25,000	2.540%	2.540%	100.000
	8/15/2029	25,000	2.640%	2.640%	100.000
	8/15/2030	25,000	2.730%	2.730%	100.000
	8/15/2031	25,000	2.830%	2.830%	100.000
	8/15/2032	25,000	2.930%	2.930%	100.000
	8/15/2033	30,000	3.020%	3.020%	100.000
	8/15/2034	30,000	3.110%	3.110%	100.000
	8/15/2035	30,000	3.200%	3.200%	100.000
	8/15/2036	30,000	3.260%	3.260%	100.000
	8/15/2037	30,000	3.360%	3.360%	100.000
	8/15/2038	30,000	3.640%	3.640%	100.000
	8/15/2039	35,000	3.640%	3.640%	100.000
	8/15/2040	35,000	3.640%	3.640%	100.000
	8/15/2041	35,000	3.640%	3.640%	100.000
		540,000			

Dated Date	6/1/2021	
Delivery Date	6/1/2021	
First Coupon	8/15/2021	
Par Amount	540,000.00	
Original Issue Discount	-----	
	--	
Production	540,000.00	100.000000%
Underwriter's Discount	-----	
	--	
Purchase Price	540,000.00	100.000000%
Accrued Interest	-----	
	--	
Net Proceeds	540,000.00	

Bond Debt Service
Ricardo WSC, TX
\$540,000 Taxable DFund Project - 20 years
Taxable DFund Scale as of 1.16.20

Preliminary

Period Ending	Principal	Interest	Debt Service
12/31/2021		3,285.91	3,285.91
12/31/2022	20,000	15,985.50	35,985.50
12/31/2023	20,000	15,581.50	35,581.50
12/31/2024	20,000	15,167.50	35,167.50
12/31/2025	20,000	14,743.50	34,743.50
12/31/2026	25,000	14,301.50	39,301.50
12/31/2027	25,000	13,721.50	38,721.50
12/31/2028	25,000	13,116.50	38,116.50
12/31/2029	25,000	12,481.50	37,481.50
12/31/2030	25,000	11,821.50	36,821.50
12/31/2031	25,000	11,139.00	36,139.00
12/31/2032	25,000	10,431.50	35,431.50
12/31/2033	30,000	9,699.00	39,699.00
12/31/2034	30,000	8,793.00	38,793.00
12/31/2035	30,000	7,860.00	37,860.00
12/31/2036	30,000	6,900.00	36,900.00
12/31/2037	30,000	5,922.00	35,922.00
12/31/2038	30,000	4,914.00	34,914.00
12/31/2039	35,000	3,822.00	38,822.00
12/31/2040	35,000	2,548.00	37,548.00
12/31/2041	35,000	1,274.00	36,274.00
	540,000	203,508.91	743,508.91

Bond Debt Service
Ricardo WSC, TX
\$540,000 Taxable DFund Project - 20 years
Taxable DFund Scale as of 1.16.20
Preliminary

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
8/15/2021		3,285.91	3,285.91	
12/31/2021				3,285.91
2/15/2022		7,992.75	7,992.75	
8/15/2022	20,000	7,992.75	27,992.75	
12/31/2022				35,985.50
2/15/2023		7,790.75	7,790.75	
8/15/2023	20,000	7,790.75	27,790.75	
12/31/2023				35,581.50
2/15/2024		7,583.75	7,583.75	
8/15/2024	20,000	7,583.75	27,583.75	
12/31/2024				35,167.50
2/15/2025		7,371.75	7,371.75	
8/15/2025	20,000	7,371.75	27,371.75	
12/31/2025				34,743.50
2/15/2026		7,150.75	7,150.75	
8/15/2026	25,000	7,150.75	32,150.75	
12/31/2026				39,301.50
2/15/2027		6,860.75	6,860.75	
8/15/2027	25,000	6,860.75	31,860.75	
12/31/2027				38,721.50
2/15/2028		6,558.25	6,558.25	
8/15/2028	25,000	6,558.25	31,558.25	
12/31/2028				38,116.50
2/15/2029		6,240.75	6,240.75	
8/15/2029	25,000	6,240.75	31,240.75	
12/31/2029				37,481.50
2/15/2030		5,910.75	5,910.75	
8/15/2030	25,000	5,910.75	30,910.75	
12/31/2030				36,821.50
2/15/2031		5,569.50	5,569.50	
8/15/2031	25,000	5,569.50	30,569.50	
12/31/2031				36,139.00
2/15/2032		5,215.75	5,215.75	
8/15/2032	25,000	5,215.75	30,215.75	
12/31/2032				35,431.50
2/15/2033		4,849.50	4,849.50	
8/15/2033	30,000	4,849.50	34,849.50	
12/31/2033				39,699.00
2/15/2034		4,396.50	4,396.50	
8/15/2034	30,000	4,396.50	34,396.50	
12/31/2034				38,793.00
2/15/2035		3,930.00	3,930.00	
8/15/2035	30,000	3,930.00	33,930.00	
12/31/2035				37,860.00
2/15/2036		3,450.00	3,450.00	
8/15/2036	30,000	3,450.00	33,450.00	
12/31/2036				36,900.00
2/15/2037		2,961.00	2,961.00	

Bond Debt Service
 Ricardo WSC, TX
 \$540,000 Taxable DFund Project - 20 years
 Taxable DFund Scale as of 1.16.20
 Preliminary

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
8/15/2037	30,000	2,961.00	32,961.00	
12/31/2037				35,922.00
2/15/2038		2,457.00	2,457.00	
8/15/2038	30,000	2,457.00	32,457.00	
12/31/2038				34,914.00
2/15/2039		1,911.00	1,911.00	
8/15/2039	35,000	1,911.00	36,911.00	
12/31/2039				38,822.00
2/15/2040		1,274.00	1,274.00	
8/15/2040	35,000	1,274.00	36,274.00	
12/31/2040				37,548.00
2/15/2041		637.00	637.00	
8/15/2041	35,000	637.00	35,637.00	
12/31/2041				36,274.00
	540,000	203,508.91	743,508.91	743,508.91

Sources and Uses of Funds
Ricardo WSC, TX
\$540,000 Taxable DFund Project - 30 years
Taxable DFund Scale as of 1.16.20

Preliminary

Dated Date 6/1/2021
Delivery
Date 6/1/2021

Sources:

Bond Proceeds:

Par Amount	540,000.00
	<hr/>
	540,000.00
	<hr/>

Uses:

Project Fund Deposits:

Project Fund	505,000.00
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Delivery Date Expenses:

Cost of Issuance	35,000.00
	<hr/>
	540,000.00
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Bond Summary Statistics
Ricardo WSC, TX
\$540,000 Taxable DFund Project - 30 years
Taxable DFund Scale as of 1.16.20
Preliminary

Dated Date	6/1/2021
Delivery Date	6/1/2021
First Coupon	8/15/2021
Last Maturity	8/15/2051
Arbitrage Yield	3.520031%
True Interest Cost (TIC)	3.520031%
Net Interest Cost (NIC)	3.556389%
All-In TIC	4.054406%
Average Coupon	3.556389%
Average Life (years)	18.104
Duration of Issue (years)	12.964
Par Amount	540,000.00
Bond Proceeds	540,000.00
Total Interest	347,672.57
Net Interest	347,672.57
Bond Years from Dated Date	9,776,000.00
Bond Years from Delivery Date	9,776,000.00
Total Debt Service	887,672.57
Maximum Annual Debt Service	32,044.00
Average Annual Debt Service	29,387.73
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	-----

Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Serial Bond	540,000.00	100.000	3.556%	18.104	674.45
	540,000.00			18.104	674.45

	TIC	All-In TIC	Arbitrage Yield	
	-----	-----	-----	
Par Value		540,000.00	540,000.00	540,000.00
+ Accrued Interest				
+ Premium (Discount)				
- Underwriter's Discount				
- Cost of Issuance Expense			(35,000.00)	
- Other Amounts				
Target Value	-----	-----	-----	-----
		540,000.00	505,000.00	540,000.00
Target Date		6/1/2021	6/1/2021	6/1/2021
Yield		3.520031%	4.054406%	3.520031%

Bond Pricing
Ricardo WSC, TX
\$540,000 Taxable DFund Project - 30 years
Taxable DFund Scale as of 1.16.20

Bond Component	Preliminary				
	Maturity Date	Amount	Rate	Yield	Price
Serial Bond:	8/15/2022	10,000	2.020%	2.020%	100.000
	8/15/2023	10,000	2.070%	2.070%	100.000
	8/15/2024	10,000	2.120%	2.120%	100.000
	8/15/2025	10,000	2.210%	2.210%	100.000
	8/15/2026	15,000	2.320%	2.320%	100.000
	8/15/2027	15,000	2.420%	2.420%	100.000
	8/15/2028	15,000	2.540%	2.540%	100.000
	8/15/2029	15,000	2.640%	2.640%	100.000
	8/15/2030	15,000	2.730%	2.730%	100.000
	8/15/2031	15,000	2.830%	2.830%	100.000
	8/15/2032	15,000	2.930%	2.930%	100.000
	8/15/2033	15,000	3.020%	3.020%	100.000
	8/15/2034	15,000	3.110%	3.110%	100.000
	8/15/2035	15,000	3.200%	3.200%	100.000
	8/15/2036	15,000	3.260%	3.260%	100.000
	8/15/2037	15,000	3.360%	3.360%	100.000
	8/15/2038	20,000	3.640%	3.640%	100.000
	8/15/2039	20,000	3.640%	3.640%	100.000
	8/15/2040	20,000	3.640%	3.640%	100.000
	8/15/2041	20,000	3.640%	3.640%	100.000
	8/15/2042	20,000	3.640%	3.640%	100.000
	8/15/2043	20,000	3.750%	3.750%	100.000
	8/15/2044	20,000	3.750%	3.750%	100.000
	8/15/2045	25,000	3.750%	3.750%	100.000
	8/15/2046	25,000	3.750%	3.750%	100.000
	8/15/2047	25,000	3.750%	3.750%	100.000
	8/15/2048	25,000	3.750%	3.750%	100.000
	8/15/2049	25,000	3.750%	3.750%	100.000
	8/15/2050	25,000	3.750%	3.750%	100.000
	8/15/2051	30,000	3.750%	3.750%	100.000
		540,000			

Dated Date	6/1/2021	
Delivery Date	6/1/2021	
First Coupon	8/15/2021	
Par Amount	540,000.00	
Original Issue Discount	-----	
	--	
Production	540,000.00	100.000000%
Underwriter's Discount	-----	
	--	
Purchase Price	540,000.00	100.000000%
Accrued Interest	-----	
	--	
Net Proceeds	540,000.00	

Bond Debt Service
Ricardo WSC, TX
\$540,000 Taxable DFund Project - 30 years
Taxable DFund Scale as of 1.16.20

Preliminary

Period Ending	Principal	Interest	Debt Service
12/31/2021		3,676.57	3,676.57
12/31/2022	10,000	17,886.00	27,886.00
12/31/2023	10,000	17,684.00	27,684.00
12/31/2024	10,000	17,477.00	27,477.00
12/31/2025	10,000	17,265.00	27,265.00
12/31/2026	15,000	17,044.00	32,044.00
12/31/2027	15,000	16,696.00	31,696.00
12/31/2028	15,000	16,333.00	31,333.00
12/31/2029	15,000	15,952.00	30,952.00
12/31/2030	15,000	15,556.00	30,556.00
12/31/2031	15,000	15,146.50	30,146.50
12/31/2032	15,000	14,722.00	29,722.00
12/31/2033	15,000	14,282.50	29,282.50
12/31/2034	15,000	13,829.50	28,829.50
12/31/2035	15,000	13,363.00	28,363.00
12/31/2036	15,000	12,883.00	27,883.00
12/31/2037	15,000	12,394.00	27,394.00
12/31/2038	20,000	11,890.00	31,890.00
12/31/2039	20,000	11,162.00	31,162.00
12/31/2040	20,000	10,434.00	30,434.00
12/31/2041	20,000	9,706.00	29,706.00
12/31/2042	20,000	8,978.00	28,978.00
12/31/2043	20,000	8,250.00	28,250.00
12/31/2044	20,000	7,500.00	27,500.00
12/31/2045	25,000	6,750.00	31,750.00
12/31/2046	25,000	5,812.50	30,812.50
12/31/2047	25,000	4,875.00	29,875.00
12/31/2048	25,000	3,937.50	28,937.50
12/31/2049	25,000	3,000.00	28,000.00
12/31/2050	25,000	2,062.50	27,062.50
12/31/2051	30,000	1,125.00	31,125.00
	540,000	347,672.57	887,672.57

Bond Debt Service
Ricardo WSC, TX
\$540,000 Taxable DFund Project - 30 years
Taxable DFund Scale as of 1.16.20
Preliminary

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
8/15/2021		3,676.57	3,676.57	
12/31/2021				3,676.57
2/15/2022		8,943.00	8,943.00	
8/15/2022	10,000	8,943.00	18,943.00	
12/31/2022				27,886.00
2/15/2023		8,842.00	8,842.00	
8/15/2023	10,000	8,842.00	18,842.00	
12/31/2023				27,684.00
2/15/2024		8,738.50	8,738.50	
8/15/2024	10,000	8,738.50	18,738.50	
12/31/2024				27,477.00
2/15/2025		8,632.50	8,632.50	
8/15/2025	10,000	8,632.50	18,632.50	
12/31/2025				27,265.00
2/15/2026		8,522.00	8,522.00	
8/15/2026	15,000	8,522.00	23,522.00	
12/31/2026				32,044.00
2/15/2027		8,348.00	8,348.00	
8/15/2027	15,000	8,348.00	23,348.00	
12/31/2027				31,696.00
2/15/2028		8,166.50	8,166.50	
8/15/2028	15,000	8,166.50	23,166.50	
12/31/2028				31,333.00
2/15/2029		7,976.00	7,976.00	
8/15/2029	15,000	7,976.00	22,976.00	
12/31/2029				30,952.00
2/15/2030		7,778.00	7,778.00	
8/15/2030	15,000	7,778.00	22,778.00	
12/31/2030				30,556.00
2/15/2031		7,573.25	7,573.25	
8/15/2031	15,000	7,573.25	22,573.25	
12/31/2031				30,146.50
2/15/2032		7,361.00	7,361.00	
8/15/2032	15,000	7,361.00	22,361.00	
12/31/2032				29,722.00
2/15/2033		7,141.25	7,141.25	
8/15/2033	15,000	7,141.25	22,141.25	
12/31/2033				29,282.50
2/15/2034		6,914.75	6,914.75	
8/15/2034	15,000	6,914.75	21,914.75	
12/31/2034				28,829.50
2/15/2035		6,681.50	6,681.50	
8/15/2035	15,000	6,681.50	21,681.50	
12/31/2035				28,363.00
2/15/2036		6,441.50	6,441.50	
8/15/2036	15,000	6,441.50	21,441.50	
12/31/2036				27,883.00
2/15/2037		6,197.00	6,197.00	

Bond Debt Service
Ricardo WSC, TX
\$540,000 Taxable DFund Project - 30 years
Taxable DFund Scale as of 1.16.20
Preliminary

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
8/15/2037	15,000	6,197.00	21,197.00	
12/31/2037				27,394.00
2/15/2038		5,945.00	5,945.00	
8/15/2038	20,000	5,945.00	25,945.00	
12/31/2038				31,890.00
2/15/2039		5,581.00	5,581.00	
8/15/2039	20,000	5,581.00	25,581.00	
12/31/2039				31,162.00
2/15/2040		5,217.00	5,217.00	
8/15/2040	20,000	5,217.00	25,217.00	
12/31/2040				30,434.00
2/15/2041		4,853.00	4,853.00	
8/15/2041	20,000	4,853.00	24,853.00	
12/31/2041				29,706.00
2/15/2042		4,489.00	4,489.00	
8/15/2042	20,000	4,489.00	24,489.00	
12/31/2042				28,978.00
2/15/2043		4,125.00	4,125.00	
8/15/2043	20,000	4,125.00	24,125.00	
12/31/2043				28,250.00
2/15/2044		3,750.00	3,750.00	
8/15/2044	20,000	3,750.00	23,750.00	
12/31/2044				27,500.00
2/15/2045		3,375.00	3,375.00	
8/15/2045	25,000	3,375.00	28,375.00	
12/31/2045				31,750.00
2/15/2046		2,906.25	2,906.25	
8/15/2046	25,000	2,906.25	27,906.25	
12/31/2046				30,812.50
2/15/2047		2,437.50	2,437.50	
8/15/2047	25,000	2,437.50	27,437.50	
12/31/2047				29,875.00
2/15/2048		1,968.75	1,968.75	
8/15/2048	25,000	1,968.75	26,968.75	
12/31/2048				28,937.50
2/15/2049		1,500.00	1,500.00	
8/15/2049	25,000	1,500.00	26,500.00	
12/31/2049				28,000.00
2/15/2050		1,031.25	1,031.25	
8/15/2050	25,000	1,031.25	26,031.25	
12/31/2050				27,062.50
2/15/2051		562.50	562.50	
8/15/2051	30,000	562.50	30,562.50	
12/31/2051				31,125.00
	540,000	347,672.57	887,672.57	887,672.57

mcserrato@stwa.org

From: Anne Burger Entrekin (HTS) <Anne.BurgerEntrekin@hilltopsecurities.com>
Sent: Tuesday, April 6, 2021 4:12 PM
To: mcserrato@stwa.org
Cc: Mary Ann Gennero (HTS); Jo Ella Wagner; Frances Rosales; Mario Hernandez (HTS)
Subject: RE: Ricardo WSC - Funding Options - TXDOT Adjustments

Hi Carola,

Please see below the response I just received from Dain.

Thanks,

Anne

*Anne,
I've only seen a 5-year period. While I don't know if it would be approved, they could request something different with their application and I could get a response.*

Thanks.

Dain

Anne Burger Entrekin
Regional Managing Director
Hilltop Securities
70 NE Loop 410, Suite 710, San Antonio, TX 78216
Direct: 210.308.2200 | Toll Free: 877.293.0934 | Fax: 210.349.7585 | Mobile: 210.870.7685
Anne.Burgerentrekin@hilltopsecurities.com

Please note: Our email has changed. Please update your contact info.

From: Anne Burger Entrekin (HTS)
Sent: Tuesday, April 06, 2021 4:09 PM
To: mcserrato@stwa.org
Cc: Mary Ann Gennero (HTS) <maryann.gennero@hilltopsecurities.com>; Jo Ella Wagner <jwagner@stwa.org>; Frances Rosales <fvrosales@stwa.org>; Mario Hernandez (HTS) <Mario.Hernandez@hilltopsecurities.com>
Subject: RE: Ricardo WSC - Funding Options - TXDOT Adjustments

Hi Carola,

I hope you are doing well!

Please see responses below in red and a slightly revised and reformatted PDF attached for your review. I believe we have answered all your questions, but if not or if more detail would be helpful please let us know. Also, if you would like additional scenarios with a Reserve Fund calculation included as further discussed below, please let us know.

Thanks and hope you have a great day!

Anne

Anne Burger Entekin
Regional Managing Director
Hilltop Securities
70 NE Loop 410, Suite 710, San Antonio, TX 78216
Direct: 210.308.2200 | Toll Free: 877.293.0934 | Fax: 210.349.7585 | Mobile: 210.870.7685
Anne.BurgerEntekin@hilltopsecurities.com

Please note: Our email has changed. Please update your contact info.

From: mcgserrato@stwa.org <mcgserrato@stwa.org>
Sent: Thursday, April 01, 2021 5:17 PM
To: Anne Burger Entekin (HTS) <Anne.BurgerEntekin@hilltopsecurities.com>
Cc: Mary Ann Gennaro (HTS) <MaryAnn.Gennaro@hilltopsecurities.com>; Jo Ella Wagner <jwagner@stwa.org>; Frances Rosales <fyrosales@stwa.org>
Subject: FW: Ricardo WSC - Funding Options - TXDOT Adjustments

EXTERNAL SENDER

Anne:

I was able to finish my review this afternoon. Attached is a scanned pdf with my scribbles and pages numbered for reference.

There are a few questions:

Is there a Reserve Fund that will be required to build over ten (10) years? If so will the monthly requirement be the Average DS divided by 120? Generally the TWDB will require a Reserve Fund for all Revenue Bond issues equal to the average annual debt service. To date, the maximum period I have funded a Reserve Fund with the TWDB is over 5 years, in 60 equal monthly deposits. I have an email into Dain at the TWDB to see if they would consider a longer funding period for a Reserve Fund, but have not heard back yet. One option I have done several times with TWDB transactions in funding the Reserve Fund is that we reduce the principal the first 5 years by the required Reserve Fund deposit. It helps on the cash flows, basically making them level over the life of the bond issue, but it will result in a slightly higher interest rate since the average life is slightly extended. As noted above, if you would like to see what they debt service looks like, we are happy to provide it.

Can you explain why the Arbitrage Yield is the same for all four (4) scenarios? This has been reviewed and changed in the attached. The Arbitrage Yield in the 20-year scenarios is the same, but the Arbitrage Yield in the 30-year scenarios is the same, but higher than the 20-year scenarios.

What is the All-In True Interest Cost? The All-In True Interest Cost factors in the cost of issuance into the calculation.

Is information missing on the bottom half of my page 4? I ask because the corresponding sheet for the 30-year analysis on my page 10 has additional information. On that same page, there are not any costs for Underwriter Fees, etc. Those will be calculated later? We used a software program to assist us in solving debt service. It assumes there will be an underwriter's discount paid as part of the transaction since most bond issues are publicly issued. Since this will be directly placed with the TWDB, there will be no underwriter's discount. We hid those columns in some of the excel files, but did not catch all of them.

On my page 7, I noticed that the date 9/30 is used. I am wondering if this is for an entity's fiscal year end. If so, RWSC's FY runs Jan 1 through Dec 31 – although the February/August dates don't make any change to the annual requirement. We updated the FYE to December 31st. As you mentioned, this really did not change the numbers since the payment date did not change. We structured this with a August 15th principal payment. Most entities have either 2/15 and 8/15 payments or 3/1 and 9/1 payments. Especially for water related entities, we schedule the principal payment in the summer when their

revenues are generally higher. If you think moving the principal payment to 9/1 would be helpful, please let us know. Again there will be only minimal change and mostly to the first year due to the 15 additional days of interest.

At the bottom of my page 10, is the Cost of Issuance Expense. Is that a dash or a negative sign? Should it be a dollar sign? That is a negative number reflecting the cost of issuance amount. As noted above, the All-in TIC factors that the COI amount is not utilized for project construction, therefore it is deducted in the calculation. COI is included in the TIC and Arbitrage Yield calculation. These are industry standard calculations and in the case of the Arbitrage Yield, standard federal calculation.

Also at the bottom of my page 10 there appears to be a possible file name reference – Finance 8600 STWA, Tx ... Page 16. But, I also noticed on my pages numbered 8, 11, 15, 18, 22, 25 and 29 that South Texas Water Authority is in the title of the page. STWA would not be involved in acquiring the funds on behalf of RWSC, correct? These schedules are produced in excel, and in putting together the PDF, we had some formatting issues we missed. We have made sure there are no pages with STWA in the heading. We thought those had all been changed, but where the schedule was two pages, it was missed. In order to make it easier to compare the four scenarios, we used an aggregated format. However, this format includes some schedules which show an full aggregation of all four scenarios (adding them together and aggregating the results). These schedules are not relevant to this analysis. So those schedules were removed in the excel, which caused the jump in page numbers. In the revised version attached, we removed the footers and the page numbers to avoid confusion.

I hope to review this information with the RWSC Board at their meeting on April 13. The agenda packet will go out on Friday, April 9th.

Thanks again for all your assistance,

Carola

Carola G. Serrato
General Manager
Ricardo Water Supply Corporation
2302 East Sage Rd
Kingsville, Texas 78363
361-592-3952 x112

From: mcgserrato@stwa.org <mcgserrato@stwa.org>
Sent: Thursday, April 1, 2021 11:50 AM
To: 'Anne Burger Entrekin (HTS)' <Anne.BurgerEntrekin@hilltopsecurities.com>
Cc: 'Dony Cantu' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>; 'ngomez@stwa.org' <ngomez@stwa.org>; 'Mary Ann Gennero (HTS)' <MaryAnn.Gennero@hilltopsecurities.com>
Subject: RE: Ricardo WSC - Funding Options - TXDOT Adjustments

Thank-you, Anne. I will get back with you on Monday regarding any questions.

Have a Great Easter,

Carola

Carola G. Serrato
General Manager
Ricardo Water Supply Corporation
2302 East Sage Rd
Kingsville, Texas 78363
361-592-3952 x112

From: Anne Burger Entrekin (HTS) <Anne.BurgerEntrekin@hilltopsecurities.com>
Sent: Thursday, April 1, 2021 11:27 AM
To: Carola Serrato <mcgserrato@stwa.org>
Cc: Dony Cantu <dcantu@stwa.org>; Frances Rosales <fvrosales@stwa.org>; Jo Ella Wagner <jwagner@stwa.org>; ngomez@stwa.org; Mary Ann Gennero (HTS) <MaryAnn.Gennero@hilltopsecurities.com>
Subject: RE: Ricardo WSC - Funding Options - TXDOT Adjustments

Hi Carola,

I hope you are doing well!

Please find attached the requested analysis. The first two pages summarize each of the four scenarios. We then have the detailed schedules for each of the four scenarios. This is probably more detail than is needed, but wanted you to have it in case.

If it would be helpful, we can provide this information in five files, one of the aggregate summaries and the four of the detailed slides for each scenario. Please let us know what will be easiest for you to review.

After you have had an opportunity to review, please let us know if you have any questions, would like to discuss or if additional scenarios would be helpful.

Thanks and hope you have a wonderful Easter weekend!

Anne

Anne Burger Entrekin
Regional Managing Director
Hilltop Securities
70 NE Loop 410, Suite 710, San Antonio, TX 78216
Direct: 210.308.2200 | Toll Free: 877.293.0934 | Fax: 210.349.7585 | Mobile: 210.870.7685
Anne.Burgerentrekin@hilltopsecurities.com

Please note: Our email has changed. Please update your contact info.

From: Carola Serrato <mcgserrato@stwa.org>
Sent: Wednesday, March 24, 2021 6:41 PM
To: Anne Burger Entrekin (HTS) <Anne.BurgerEntrekin@hilltopsecurities.com>
Cc: Dony Cantu <dcantu@stwa.org>; Frances Rosales <fvrosales@stwa.org>; Jo Ella Wagner <jwagner@stwa.org>; ngomez@stwa.org
Subject: Re: Ricardo WSC - Funding Options - TXDOT Adjustments

EXTERNAL SENDER

Any estimate on those costs?
CGS

Sent from my iPhone

On Mar 24, 2021, at 5:40 PM, Anne Burger Entrekin (HTS) <Anne.BurgerEntrekin@hilltopsecurities.com> wrote:

Hi Carola,

Absolutely! Quick question. We discussed the \$505,000 amount. There will be some costs of issuance. Should those be added to the \$505,000 or will those be paid out of current funds available?

Thanks,

Anne

Anne Burger Entrek
Regional Managing Director
Hilltop Securities
70 NE Loop 410, Suite 710, San Antonio, TX 78216
Direct: 210.308.2200 | Toll Free: 877.293.0934 | Fax: 210.349.7585 | Mobile: 210.870.7685
Anne.Burgerentrek@hilltopsecurities.com

Please note: Our email has changed. Please update your contact info.

From: mcgserrato@stwa.org <mcgserrato@stwa.org>
Sent: Wednesday, March 24, 2021 5:26 PM
To: Anne Burger Entrek (HTS) <Anne.BurgerEntrek@hilltopsecurities.com>
Cc: 'Dony Cantu' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>; ngomez@stwa.org
Subject: RE: Ricardo WSC - Funding Options - TXDOT Adjustments

EXTERNAL SENDER

Yes, please run a sample debt service schedule. If it is alright, could you show the 20 year and 30 year schedule.

Thanks,
Carola

Carola G. Serrato
General Manager
Ricardo Water Supply Corporation
2302 East Sage Rd
Kingsville, Texas 78363
361-592-3952 x112

From: Anne Burger Entrek (HTS) <Anne.BurgerEntrek@hilltopsecurities.com>
Sent: Wednesday, March 24, 2021 5:10 PM
To: mcgserrato@stwa.org
Cc: 'Dony Cantu' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>; ngomez@stwa.org
Subject: RE: Ricardo WSC - Funding Options - TXDOT Adjustments

Hi Carola,

I hope you are doing well.

I had a very productive call with Dain Larson with the TWDB. Please see below an email he sent as a follow-up along with the interest rates attached. I believe the DFund, versus the RWAF program we discussed, could be more advantageous. They will do 30 year loans based on the attached interest rates. The challenge is that those rates are as of 1/16/2020 and potentially higher than current market interest rates.

He did not answer one of the questions I asked regarding if we could use a Reimbursement Resolution in DFund. I caught him just before he was leaving for his first vacation since before COVID. He indicated he would get me what he could before he left and follow-up when he returned. I will check in with him about the Reimbursement Resolution.

Would you like for us to run sample debt service schedules based on the attached rates for a 30 year loan? These are at rates higher than you projected. Based on what we determine the True Interest Cost to be, perhaps we can analyze and project what we think a Bond Placement rate could be.

Thanks and hope you have a nice evening!

Anne

Anne,
I got some feedback about your RWAF and Dfund questions.

1. RWAF- It is available, and apparently there's a sales tax exemption. I'm not sure if you're aware of that already. I can check on that some more if you're not. We actually fund it with Dfund taxable because there's no advantage to us to fund it with AMT bonds. And we can fund 30 years.
2. Dfund- We do have rates for 30 years, it was just a decision about the website posting to only show 20 years, no policy restriction or other issue. I'll attach our current rate sheet from our January 2020 issuance. I'm not connecting the dots on the explanation for why the different spread with market for taxable and tax-exempt. It sounds like the timing can cause this because we acquired funds in early 2020, but what I see is that we obtained funds in January 2020 for both taxable and tax-exempt.

Thanks.
Dain

Anne Burger Entrekin
Regional Managing Director
Hilltop Securities
70 NE Loop 410, Suite 710, San Antonio, TX 78216
Direct: 210.308.2200 | Toll Free: 877.293.0934 | Fax: 210.349.7585 | Mobile: 210.870.7685
Anne.BurgerEntrekin@hilltopsecurities.com

Please note: Our email has changed. Please update your contact info.

From: mcgserrato@stwa.org <mcgserrato@stwa.org>
Sent: Wednesday, March 24, 2021 11:39 AM
To: Anne Burger Entrekin (HTS) <Anne.BurgerEntrekin@hilltopsecurities.com>

Cc: 'Dony Cantu' <dcantu@stwa.org>; 'Frances Rosales' <fvrosales@stwa.org>; 'Jo Ella Wagner' <jwagner@stwa.org>; ngomez@stwa.org

Subject: Ricardo WSC - Funding Options - TXDOT Adjustments

EXTERNAL SENDER

Anne,

I am wondering if you have any information pertaining to our recent conversation about Ricardo WSC's funding options to address the TxDOT required adjustments.

The RWSC Board is meeting on April 13th for their Annual Membership Meeting followed by a regular board meeting. I was hoping to offer some options and receive their direction on how to proceed.

Thanks,
Carola

Carola G. Serrato
General Manager
Ricardo Water Supply Corporation
2302 East Sage Rd
Kingsville, Texas 78363
361-592-3952 x112

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See pg 2

MEETING MINUTES
WEEKLY UTILITY COORDINATION MEETING
US 77 CSJ: 0102-04-097

Limits From: 270 feet north of CR E. 2130, south of Kingsville, TX
Limits To: 3400 feet south of RR 628, north of Riviera, TX
March 10, 2021

1. **Project Information:**
 - October 2021 - TxDOT Design Submittal Milestones: 95%
 - March 2022 – Letting Date

2. **Utility Company Deadlines:**
 - March 8, 2021 – Draft Submittal for review
 - April 1, 2021 – Executed Standard Utility Agreements and Utility Permit
 - December 1, 2021 – All utilities relocations shall be completed

3. **General Notes:**
 - Project FTP: (<https://bit.ly/3bbXNxS>)
 - DGNs, DWGs, and a pdf plan set have been uploaded to our FTP
 - Master Utility Assignments: Offsets and minimum cover depths uploaded to FTP also

4. **Utilities / Notes:**
 - **AEP:**
 - Attendee: Bobby Cervantes (Not present)
 - Date to submit design: TBD
 - Status Update:
 - Considering boring across and running along west side of US 77 improvements to alleviate construction challenges along east side through Ricardo.
 - Action Items:
 - No updates

 - **Nueces Electric:**
 - Attendee: Andrew Villareal
 - Date to submit design: Preliminary nearly complete, expects to submit next week.
 - Status Update:
 - Currently staking, preparing to start construction soon
 - Action Items:
 - Keith to resend link to DGN files

 - **AT&T Local:**
 - Attendee: Mario Rodriguez and Bob Giannamore
 - Date to submit design: End of May
 - Status Update:
 - Beginning design
 - Action Items:
 - Neither Bob nor Mario can commit to meeting Dec. 1, 2021 utility relocation deadline yet.

- **Riviera Telephone:**
 - Attendee: Tim Douglas (Not present)
 - Date to submit design: End of March
 - Status Update:
 - No updates
 - Action Items:
 - No updates

- **Enterprise:**
 - Attendee: Paul Finney (Not present)
 - Date to submit design: Early May
 - Status Update:
 - No updates
 - Action Items:
 - Once received from road engineer, Keith to send layout around weigh station
 - Keith to coordinate crossings of Enterprise and other utilities

- **AT&T Legacy:**
 - Attendee: Phil Porter
 - Date to submit design: March 8th
 - Status Update:
 - Halff reviewing drawings now
 - Action Items:
 - No updates

- **Fiberlight:**
 - Attendee: Phil Porter
 - Date to submit design: Next week
 - Status Update:
 - No updates
 - Action Items:
 - No updates

- **Ricardo Water Supply:**
 - Attendee: Eric Villareal (Not present)
 - Date to submit design: TBD
 - Status Update:
 - No longer joint bidding
 - Action Items:
 - No updates

- **Ricardo WW Improvement Corp. (RIWC):**
 - Attendee: Juan Pimentel (Not present)
 - Date to submit design: TBD
 - Status Update:
 - No updates
 - Action Items:
 - Juan to coordinate with owner and send update ASAP



- **Windstream:**
 - Attendee: Joshua Morse (Not present, Still no contact from recent attempts)
 - Date to submit design: TBD
 - Status Update:
 - TBD
 - Action Items:
 - TBD

- **Riviera WCID:**
 - Attendee: N/A
 - Date to submit design: N/A
 - Status Update: Out of project area
 - Action Items: N/A

- **DCP Midstream:**
 - Attendee: N/A
 - Date to submit design: N/A
 - Status Update: Out of project area
 - Action Items: N/A

- **CenturyLink:**
 - Attendee: N/A
 - Date to submit design: N/A
 - Status Update: Half requested letter of abandonment of facilities on Tues. 3/2.
 - Action Items: No updates

MEETING MINUTES
WEEKLY UTILITY COORDINATION MEETING
US 77 CSJ: 0102-04-097

Limits From: 270 feet north of CR E. 2130, south of Kingsville, TX
Limits To: 3400 feet south of RR 628, north of Riviera, TX
March 17, 2021

1. Project Information:

- October 2021 - TxDOT Design Submittal Milestones: 95%
- March 2022 – Letting Date

2. Utility Company Deadlines:

- March 8, 2021 – Draft Submittal for review
- April 1, 2021 – Executed Standard Utility Agreements and Utility Permit
- December 1, 2021 – All utilities relocations shall be completed

3. General Notes:

- Project FTP: (<https://bit.ly/3bbXNxS>)
 - DGNs, DWGs, and a pdf plan set have been uploaded to our FTP
 - Master Utility Assignments: Offsets and minimum cover depths uploaded to FTP also

4. Utilities / Notes:

- **AEP:**
 - Attendee: Bobby Cervantes
 - Date to submit design: End of March
 - Status Update:
 - Finalizing route across and along west side through Ricardo.
 - Action Items:
 - No updates
- **Nueces Electric:**
 - Attendee: Andrew Villareal
 - Date to submit design: Expects to submit by the end of this week.
 - Note: Preliminary pole locations may only be within 15' of actual pole locations. Exact pole locations won't be known until actual staking is complete.
 - Status Update:
 - Preparing to start construction in early April,
 - Action Items:
 - Nearly completed staking for Phase 1
- **AT&T Local:**
 - Attendee: Mario Rodriguez and Bob Giannamore
 - Date to submit design: End of May / Early June
 - Status Update:
 - No updates
 - Action Items:
 - No updates

- **Riviera Telephone:**
 - Attendee: Tim Douglas (Not present during meeting, but spoke with him this afternoon)
 - Date to submit design: End of March
 - Status Update:
 - Working to export a KMZ file from their mapping software
 - May eliminate copper lines and install FOC instead
 - May place line on private property between CR 2215 and CR 2230
 - Plans to place line at proposed 11' o/s
 - Action Items:
 - Tim to investigate "uni-wide" trenching with "neighboring" utilities. Keith to send contact info.
 - Tim requests possibility of installing HH's along ROW for customers and inline otherwise

- **Enterprise:**
 - Attendee: Paul Finney
 - Date to submit design: Early May
 - Status Update:
 - Expects to extend casing 300' at weigh station crossing and 30'-40' at other 3 crossings
 - Action Items:
 - Keith to send layout around weigh station once received from road engineer
 - Keith to coordinate crossings of Enterprise and other utilities
 - Keith to request construction equipment at weigh station, wheel loads and track paths, so Paul can evaluate impact on lines

- **AT&T Legacy:**
 - Attendee: Phil Porter
 - Date to submit design: Submitted March 6th
 - Status Update:
 - Half and TXDOT reviewing March 6th drawings now
 - Action Items:
 - No updates

- **Fiberlight:**
 - Attendee: Phil Porter
 - Date to submit design: Beginning of April
 - Status Update:
 - No updates
 - Action Items:
 - No updates

- **Ricardo Water Supply:**
 - Attendee: Eric Villareal
 - Date to submit design: Beginning of April
 - Status Update:
 - Working on drawings now
 - Planning for bidding, precon., etc. before contractor begins work.
 - Estimates 30-day construction start by end of May

- Action Items:
 - No updates

- **Ricardo WW Improvement Corp. (RIWC):**
 - Attendee: Juan Pimentel (Not present, but spoke with him prior to meeting)
 - Date to submit design: Mid-April
 - Status Update:
 - Juan is waiting for county approval of engineering proposal, expected next week, to begin design
 - Action Items:
 - No updates

- **Windstream:**
 - Attendee: Joshua Morse (Not present, Still no contact from recent attempts)
 - Date to submit design: TBD
 - Status Update:
 - TBD
 - Action Items:
 - TBD

- **Riviera WCID:**
 - Attendee: N/A
 - Date to submit design: N/A
 - Status Update: Out of project area
 - Action Items: N/A

- **DCP Midstream:**
 - Attendee: N/A
 - Date to submit design: N/A
 - Status Update: Out of project area
 - Action Items: N/A

- **CenturyLink:**
 - Attendee: N/A
 - Date to submit design: N/A
 - Status Update: Half requested letter of abandonment of facilities on Tues. 3/2.
 - Action Items: No updates

ATTACHMENT 5

Pay Plan/Lockout Procedures

Memorandum

To: Nueces and Ricardo Water Supply Corporation Boards of Directors
From: Carola G. Serrato, General Manager
Date: April 9, 2021
Re: COVID-19 – Pay Plan and Lockout Procedures

Background:

A year ago, in response to the COVID-19 pandemic, the enclosed memo was provided to the NWSC and RWSC Boards. Based on legal counsel advice, both Corporations adopted a COVID-19 lockout procedure allowing for (1) additional time for a customer to pay their bill and (2) a six-month payment plan to pay a past-due balance. Staff is now asking for direction on whether to revert to the previous lockout procedures/timeline or present Tariff changes to adopt procedures with additional time.

Analysis:

Several facts are pertinent to this matter:

- The Board may recall that a shorter time frame for lockouts was adopted more than a decade ago when issues with the previous billing system were discovered as a result of a customer's account becoming delinquent into a third month.
- Performing lockouts **prior** to entering a third month meant that the number of lockouts increased.
- The Corporations' revenues **did not** increase since the amounts charged to the customer are "passed through" to STWA for the additional billing, clerical and field time associated with the procedures.
- The current billing system, Logics, does not have the allocation problems that the previous billing system had when an account enters a third month in arrears.
- The COVID-19 procedures timeline are as follows:
 - a customer is allowed two (2) months in arrears;
 - when the third month's bill is generated, a letter is sent offering a payment plan;
 - the "Payment Plan" letter provides about 1 ½ to 2 weeks to return a form agreeing to pay their past due balance in six (6) monthly installments Plus their current bill; and
 - if the Payment Plan Form is not returned, a "Second Notice" letter is sent giving the customer two (2) weeks to pay their bill or be locked out.
- The results of these modified procedures are as follows:
 - The number of lockouts was significantly reduced. February 2020 was the last month when the regular procedures were used. In that month, there were twelve (12) NWSC lockouts and six (6) RWSC lockouts.
 - STWA's service charge for these locks/unlocks have been paid by the Corporations.
 - This month, there were two (2) lockouts each for NWSC and RWSC.
 - In the past year under the revised procedures, there has been a total of two (2) NWSC customers entering into a Payment Plan. For RWSC, there has been a total of three (3) Payment Plan Forms executed – two by the same person on two separate accounts.
 - With regards to bad debt, there were no significant impacts. NWSC's bad debt was \$236.57 in FY 2020, \$985.47 in FY 2019 and \$2352.00 in FY 2018. For RWSC, it was \$388.12, \$417.62 and \$1,000.16 for FYs 2020, 2019 and 2018 respectively.
 - Finally, the pre-COVID number of lockouts required at least an eight-hour day for one field tech and sometimes two (2) persons. The hours for unlocking the customers and office personnel's (including management) handling of customers could easily equate to thirty (30) man-hours per month per Corporation.

Staff Recommendation:

Although the CDC is warning about a possible fourth COVID-19 wave, Governor Greg Abbott has declared Texas 100% open for business. As such, the Board should be considering possible changes to operations. Staff recommends providing the Boards at a meeting in May with Tariff changes that (1) allow more time than under the regular procedures (2) but allow between 1 ½ to 2 weeks less than the current procedure by eliminating the step to offer a Pay Plan – which meant additional office time to produce two letters each month instead of only one per Corporation.

Board Action:

Determine whether to continue with the current COVID-19 lockout procedures or instruct staff to provide modified Tariff language for possible adoption in a May Board meeting.

Summarization:

In the attached memo from a year ago, it was noted that the Federal government expected utilities to comply with all regulations despite the difficulties created by the pandemic. I truly believe our staff has worked diligently to fulfill those responsibilities and will continue to do so as we transition towards “normal” pre-COVID operations.

Memorandum

Last year

To: Nueces and Ricardo Water Supply Corporation Boards of Directors
From: Carola G. Serrato, General Manager
Date: April 9, 2020
Re: COVID-19 Response and Operation Changes

Background:

As the Board is aware, in response to the COVID-19 pandemic, significant changes occurred in how business was conducted during March of 2020. On Monday, March 23rd, our office was closed to foot traffic. In addition, we ceased to accept cash payments. Signs were posted at the front gate and on the drive-through window explaining payments were accepted by mail or in the drop box in the form of personal checks, cashier's checks or money orders.

In addition, on March 30th the Receptionist/Clerk, Billing Clerk, Accountant Assistant and Part-Time Clerk began working remotely from home. Arrangements were made for remote access to computers and call forwarding of specific lines to their personal phones. Arrangements are being made for mail to be delivered to a secure, rural mail box which is large enough to handle both Corporations' mail as well as South Texas Water Authority's mail.

During this time frame, both the Nueces and Ricardo Water Supply Corporations would have conducted lock-outs for non-payment of bills containing usage for January and February. However, staff consulted with legal counsel who advised not to perform any disconnections. This was later followed by action by the PUC issuing an order prohibiting disconnection of utilities in the State. The temporary suspension of disconnections does not apply to late fees – per my discussion with legal counsel. However, in these uncertain times, this too could change.

In addition, legal counsel has advised if a customer recently locked-out requests restoration of service, the Corporations should comply. Staff has interpreted this to mean the lock-outs done on March 16 prior to the standard, monthly disconnection date and as a result of NSF. Each Corporation has one account in that category. As of today, there has not been such a request.

Analysis:

Again, as the Board is aware, the pandemic has taken an economic toll. At this time, it is difficult to predict when "business will return to normal." Regardless, staff anticipates and legal counsel advises that special considerations will be needed for customers that do not pay their bills during this time once the threat is over and, hopefully, businesses, work and therefore wages return. For many years, the Corporations have operated under a set of disconnection, meter removal and cancellation procedures which allow specific amounts of time after the customer's second monthly bill goes unpaid.

At this point, the best information available in terms of revenue trends is to examine the collection rate for the month prior to the outbreak to the most recent month. Enclosed are reports from the billing program for the period of February 10th through March 9th (99.76%) and March 10th through April 9th (98.04%).

Staff Recommendation:

Legal counsel has advised that a six-month period may be required after social distancing restrictions are lifted for customers to get their personal finances back on track. Staff does not disagree with this assessment. However, as mentioned above, deciding to waive disconnection procedures for a six-month period will be a significant difference from typical operations. Estimating the financial impact this would have on the Corporations will be difficult to ascertain. Nonetheless, staff recommends the Board consider this as a very definite possibility.

Board Action:

Provide feedback. Determine whether to develop a non-payment plan associated with COVID-19.

Summarization:

It should be noted that I have "attended" two (2) AWWA webinars on COVID-19 impacts to utilities. It is clear that the Federal government expects utilities to comply with all regulations. In fact, utilities are under a "heightened responsibility" to continue providing service. As one presenter stated, if a utility fails to comply with requirements it is not a good excuse to say COVID-19 has made it harder to conduct operations.

INVOICE

S20 - 027

February 12, 2020

Ricardo Water Supply Corporation
 P.O. Box 1572
 Kingsville, Texas 78364

Description			Amount Due
No. of Connections This Month:	1019		
1019 General Maintenance (per connection) @	\$ 5.65	\$	5,757.35
1019 Read Meters (per connection) @	\$ 2.50		2,547.50
3 Sample Collection (per sample) @	\$ 40.00		120.00
Billing Services for Month of:			
January, 2020			
214 Final Notice Cards @	\$ 1.10	01/13/20	235.40
1028 Statements @	\$ 2.00	01/14/20	2,056.00
1019 Administration (per connection) @	\$ 6.00		6,114.00
858 Nomination Notices - cost will be billed when all annual meeting notices are complete		01/24/20	-
2949 Copies @	\$ 0.10		294.90
Postage			453.20

INVOICING INFORMATION

	DATE	RWSC
Final Notice CARDS	11/13/20	214 ✓
BILLS	11/14/20	1028 ✓
Sewage only		
Water Haulers		1019 ✓
MR/CNC Letters		
Annual MTC	1/24/20	858 ✓
Special Mailouts		
Developer(s)		
TOTAL COUNT		

TOTAL \$ 17,578.35

Payment Due by
 February 29, 2020

Thank You!

Including information about the Authority's board and board
 of Purpose District Public Information Database located at
gov/ or the Authority's website www.stwa.org

INVOICE

S20 - 041

March 10, 2020

Ricardo Water Supply Corporation
 P.O. Box 1572
 Kingsville, Texas 78364

Description			Amount Due
No. of Connections This Month:	1022		
1022 General Maintenance (per connection) @	\$ 5.65		\$ 5,774.30
1022 Read Meters (per connection) @	\$ 2.50		2,555.00
3 Sample Collection (per sample) @	\$ 40.00		120.00
Billing Services for Month of:			
February, 2020			
221 Final Notice Cards @	\$ 1.10	02/11/20	243.10
1033 Statements @	\$ 2.00	02/13/20	2,066.00
3 Meter Removal/Cancel Letters @	\$ 1.75	02/04/20	5.25
1022 Administration (per connection) @	\$ 6.00		6,132.00
6058 Copies @	\$ 0.10		605.80
Postage			79.50
1 Developer analysis @	\$ 200.00	Vasquez	200.00

INVOICING INFORMATION

TOTAL \$ 17,780.95

	DATE	RWSC
Final Notice CARDS	2/11/20	221 ✓
BILLS	2/13/20	1033 ✓
Sewage only	2/14/20	3 ✓
Water Haulers		1022 ✓
MR/CNC Letters		
Special Mailouts		
Developer(s)	1 ✓	Vasquez
TOTAL COUNT		

Payment Due by
 March 31, 2020

Thank You!

Authority, including information about the Authority's board and board controller's Special Purpose District Public Information Database located at ptroller.texas.gov/ or the Authority's website www.stwa.org

Kathleen Lowman, President
 Brandon W. Barrera, Vice-President
 Rudy Galvan, Secretary-Treasurer
 Jose M. Graveley

(361) 592-9323 Or (361) 692-0337 (C.C. line)
 Fax: (361) 592-5965

Lupita Perez
 Patsy A. Rodgers
 Riliberto Treviño III
 Carola G. Serrato, Executive Director

INVOICE

S20 - 055

April 13, 2020

Ricardo Water Supply Corporation
 P.O. Box 1572
 Kingsville, Texas 78364

Description		Amount Due	
No. of Connections This Month:		1023	
1023	General Maintenance (per connection) @	\$ 5.65	\$ 5,779.95
1023	Read Meters (per connection) @	\$ 2.50	2,557.50
3	Sample Collection (per sample) @	\$ 40.00	120.00
Billing Services for Month of:			
March, 2020			
210	Final Notice Cards @	\$ 1.10	03/11/20 231.00
1033	Statements @	\$ 2.00	03/12/20 2,066.00
1023	Administration (per connection) @	\$ 6.00	6,138.00
856	Annual Meeting Mailouts @	\$ 5.00	03/10/20 4,280.00
3398	Copies @	\$ 0.10	339.80
	Postage		455.30

INVOICING INFORMATION

	DATE	RWSC
Final Notice CARDS	3/11/20	210 ✓
BILLS	3/12/20	1033 ✓
Sewage only	9	
Water Haulers	12	1023 ✓
MR/CNC Letters		
Annual Mtg. Special Mailouts	3/10/20	856
Developer(s)		+6-
TOTAL COUNT		

TOTAL \$ 21,967.55

Payment Due by
 April 30, 2020

Thank You!

ly, including information about the Authority's board and board
 Special Purpose District Public Information Database located at
 exas.gov/ or the Authority's website www.stwa.org

INVOICE

S20 - 075

May 12, 2020

Ricardo Water Supply Corporation
P.O. Box 1572
Kingsville, Texas 78364

Description			Amount Due
No. of Connections This Month:	1029		
1029 General Maintenance (per connection) @	\$ 5.65	\$	5,813.85
1029 Read Meters (per connection) @	\$ 2.50		2,572.50
3 Sample Collection (per sample) @	\$ 40.00		120.00
 <i>Billing Services for Month of:</i>			
<i>April, 2020</i>			
173 Final Notice Cards @	\$ 1.10	04/14/20	190.30
1039 Statements @	\$ 2.00	04/14/20	2,078.00
1029 Administration (per connection) @	\$ 6.00		6,174.00
3177 Copies @	\$ 0.10		317.70
Postage			78.10
TOTAL			\$ 17,344.45

Payment Due by
May 31, 2020

Thank You!

For more information about the Authority, including information about the Authority's board and board meetings, please go the Comptroller's Special Purpose District Public Information Database located at <https://spdpid.comptroller.texas.gov/> or the Authority's website www.stwa.org

INVOICE

S20 - 089

June 10, 2020

Ricardo Water Supply Corporation
 P.O. Box 1572
 Kingsville, Texas 78364

Description		Amount Due	
No. of Connections This Month:		1033	
1033	General Maintenance (per connection) @	\$ 5.65	\$ 5,836.45
1033	Read Meters (per connection) @	\$ 2.50	2,582.50
3	Sample Collection (per sample) @	\$ 40.00	120.00
 <i>Billing Services for Month of:</i>			
<i>May, 2020</i>			
173	Final Notice Cards @	\$ 1.10	05/12/20 190.30
1042	Statements @	\$ 2.00	05/14/20 2,084.00
7	Special Mailouts (COVID-19 Payment Plan) @	\$ 0.60	05/13/20 4.20
87	Special Mailouts (Address Change Notice) @	\$ 0.60	05/26/20 52.20
1033	Administration (per connection) @	\$ 6.00	6,198.00
5622	Copies @	\$ 0.10	562.20
	Postage		202.05
TOTAL			\$ 17,831.90

Payment Due by
 June 30, 2020

Thank You!

For more information about the Authority, including information about the Authority's board and board meetings, please go to the Comptroller's Special Purpose District Public Information Database located at <https://spdpid.comptroller.texas.gov/> or the Authority's website www.stwa.org

INVOICE

S20 - 102

July 10, 2020

Ricardo Water Supply Corporation
 P.O. Box 1572
 Kingsville, Texas 78364

Description		Amount Due	
No. of Connections This Month:		1039	
1039	General Maintenance (per connection) @	\$ 5.65	\$ 5,870.35
1039	Read Meters (per connection) @	\$ 2.50	2,597.50
3	Sample Collection (per sample) @	\$ 40.00	120.00
Billing Services for Month of:			
June, 2020			
205	Final Notice Cards @	\$ 1.10	06/11/20 225.50
1048	Statements @	\$ 2.00	06/12/20 2,096.00
3	Special Mailouts (COVID-19 Payment Plan) @	\$ 0.60	06/17/20 1.80
1039	Administration (per connection) @	\$ 6.00	6,234.00
1	Consumer Confidence Report @	\$ 500.00	06/12/20 500.00
8544	Copies @	\$ 0.10	854.40
	Postage		86.90
1	Developer analysis @	\$ 200.00 Flores	200.00

TOTAL \$ 18,786.45

INVOICING INFORMATION

	DATE	RWSC
Final Notice CARDS	6/11/2020	205 ✓
BILLS	6/12/2020	1048 ✓
Sewage only 9		
Water Haulers		1039 ✓
MR/CNC Letters		
Delinquent Letters		
Special Mailouts	6/17/2020	3 ✓
Developer(s)	1	Flores ✓
TOTAL COUNT		

Payment Due by
 July 31, 2020

Thank You!

ity, including information about the Authority's board and board
 Special Purpose District Public Information Database located at
 .texas.gov/ or the Authority's website www.stwa.org

Kathleen Lowman
 Lupita Perez
 Patsy A. Rodgers
 Carola G. Serrato, Executive Director

ATTACHMENT 6

Winter Storm/Freeze Event

Memorandum

To: Ricardo Water Supply Corporation Board of Directors
From: Carola G. Serrato, General Manager
Date: April 9, 2021
Re: February 2021 Freeze Event

Background:

Enclosed is a list of the main items affected during the freeze. The cost of overtime associated with the event was \$1,990.70. Staff estimates the total, to-date cost to the Corporation is \$3,849.35. However, there are items needing to be addressed; those are:

- Crack at the top of GST at PS #2
- Yard piping at PS #3
- 10" Valve on Bypass at PS #1 – Valve in stock – cost was \$1,816.37.

Analysis:

According to the National Weather Service, the February freeze marks only the second time that a disaster of its magnitude has occurred – the first happened over 100 years ago in February of 1895. As you can see from the attached tables, all three (3) pump stations experienced problems of some kind.

Frances DeLeon, Business/Risk Manager, has contacted AIA Insurance (AIA), the Corporation's property insurance provider. At this time, AIA has indicated a need to inspect the tank at PS #2. In the event insurance coverage excludes certain expenses, claims will be submitted to FEMA. Finance Manager Jo Ella Wagner has participated in the required online class and successfully applied for an entity ID in order to submit a claim.

Staff Recommendation:

Keep the Board updated on the status of costs, insurance reimbursements and any necessary FEMA claims.

Board Action:

Provide feedback to staff.

Summarization:

The event will certainly remain as a memory in my mind for some time to come. Thankfully, STWA has dedicated employees that worked diligently to address problems and restore service as quickly as possible.

Ricardo Water Supply Corporation - February Freeze Event Problems and Status

PS	Problem	Status
1	10" valve on MR Bypass needs to be replaced - cracked	Valve is ordered but has not arrived.
1	All pvc plumbing in disinfection bldgs cracked/leaked.	All have been fixed or replaced.
1	Disinfection 3/4" valves broke.	All have been fixed or replaced.
1	Flow switches on GST and EST stopped working.	All have been fixed.
1	Pumps not working in auto. No signals coming in.	PS is working in auto again.
1	PSI Level Control and copper line on EST froze.	Working again.
2	Southeast GST cracked at top of tank.	Level is kept below crack. Not leaking now.
2	Flow Switch on EST was not working.	Working again.
2	Meter Run froze.	Back to normal operations.
3	No power and no emergency generator.	PS taken offline and customers put on PS1
3	MR piping to GST separated.	Needs to be repaired.

ATTACHMENT 7

Memorandum of Agreement with Kleberg County

Memorandum

To: Ricardo Water Supply Corporation Boards of Directors
From: Carola G. Serrato, General Manager
Date: April 8, 2021
Re: Memorandum of Agreement (MOA) – Between Kleberg County and Ricardo Water Supply Corporation – Replacement of Transmission Line South of FM 772N providing service to PS #1, PS #2, and PS #3

Background:

Yesterday, I received a call from Roxanne Sandoval, Application Specialist with GrantWorks, Inc. (GrantWorks). Ms. Sandoval was previously the Nueces County Grant Department Administrator and we worked on numerous projects for the Nueces Water Supply Corporation. Ms. Sandoval indicated that GrantWorks had been selected by Kleberg County to seek grant funds. She inquired whether there were any projects that the Ricardo Water Supply Corporation was considering. Further, she indicated that the deadline for filing an application is May 4th which would not allow for door-to-door surveys. As such, a determining factor on the eligibility of the application would be that the project would need to benefit all of the RWSC service area as opposed to only certain sections.

Analysis:

Although there are several projects such as a complete upgrade to PS #3, tank replacement at PS #2 and painting of the elevated storage tank at PS #1, the project that I believe may qualify would be the replacement of the transmission line south of FM 772N that was originally installed by South Texas Water Authority about 35 years ago. This is an old ductile iron line that has experienced several leaks in the past and may be contributing to maintaining residual levels at the three pump stations delivery points. This project is justifiably a benefit to all RWSC customers.

Ms. Sandoval indicated that the application would be submitted by Kleberg County on behalf of the RWSC. The maximum amount of the grant is \$1.0M. However, she could not say whether the County would be submitting more than one application for different areas of the County. Finally, she has provided the attached MOA which the Kleberg County Commissioners Court is scheduled to consider on Monday, April 12th, the day before the RWSC meeting.

Staff Recommendation:

Contingent on the Kleberg County Commissioners Court action, consider approving the enclosed MOA.

Board Action:

Determine whether to approve the enclosed MOA with Kleberg County Commissioners Court for the submittal of a grant application to replace a 35-year-old transmission line south of FM 772N.

Summarization:

Staff believes this line has accounted for past water loss and will likely contribute to water loss in the coming years. There will also be costs associated with repairs and section replacements in the future.

From: Roxy Sandoval <roxy@grantworks.net>
Sent: Thursday, April 8, 2021 9:34 AM
To: mcserrato@stwa.org
Subject: Kleberg County MOA
Attachments: Kleberg County - Ricardo WSC_MOA.docx

Good Morning Carola,

Attached please find the MOA between Kleberg and the WSC. This will be on the Commissioners Court agenda for Monday, April 12, 2021.

Let me know if you have any questions or concerns.

Thanks,

Roxy

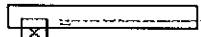
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Roxy Sandoval | Application Specialist | Mobile (361) 834-9334 | roxy@grantworks.net

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From: Roxy Sandoval <roxy@grantworks.net>
Sent: Wednesday, April 7, 2021 3:07 PM
To: mcserrato@stwa.org
Subject: Agenda Language

Great talking with you today, Carola. Please find below suggested agenda language for the Kleberg County item.

Discuss and consider executing a Memorandum of Agreement with Kleberg County related to the 2021-22 TxCDBG Colonia Fund: Construction (CFC).

Let me know if you have any questions or concerns.

Respectfully,
Roxy

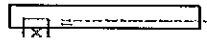
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Roxy Sandoval | Application Specialist | Mobile (361) 834-9334 | roxy@grantworks.net

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THE STATE OF TEXAS §

MEMORANDUM OF AGREEMENT

COUNTY OF KLEBERG §

This AGREEMENT is made between KLEBERG COUNTY, TEXAS, hereinafter referred to as the COUNTY, acting through its Commissioners' Court, and the RICARDO WATER SUPPLY CORPORATION, hereinafter referred to as the WSC, acting through its Board of Directors.

The COUNTY agrees to provide grant funds budgeted from its Program Year 2021-22 Community Development Block Grant Program – Colonia Fund: Construction contract to construct a public water system improvements project on behalf of the WSC benefitting the Ricardo CDP if such is awarded to the COUNTY by the Texas Department of Agriculture (TDA), hereinafter referred to as the GRANT. The term of this Agreement shall be from May 3, 2021, until the GRANT is administratively closed by TDA. Either party may terminate this Agreement with thirty (30) days written notice to the other party, but such early termination shall not relieve the parties from the financial obligations addressed below.

Parties agree that the COUNTY shall:

1. Endeavor to execute its GRANT responsibilities in a timely and efficient manner.
2. Be the repository of all receipts and documentation pertinent to the GRANT and furnish such to TDA upon its request.
3. Serve as the primary contact in all matters pertaining to the GRANT and the conduit for communication between itself, the WSC, and TDA.
4. Provide pre-bid project design and change orders to the WSC for its review and approval prior to approval by the COUNTY.
5. Not award a construction contract or approve a contract modification, including change orders, to complete the activities described in the GRANT in which the cost exceeds the funds available in the GRANT budget unless funds sufficient to cover the shortfall are committed in writing by the COUNTY, the WSC, or another party.
6. Attempt to modify the GRANT contract with TDA in order to bring costs within the GRANT budget if construction bids exceed the GRANT budget and funds sufficient to cover the shortfall are not available.
7. Automatically transfer full ownership of the GRANT-funded improvements to the WSC upon acceptance by the COUNTY of the Certificate of Construction Completion.
8. Provide any GRANT matching funds that it has separately committed by resolution of its Commissioners' Court.

Parties agree that the WSC shall:

1. Comply with all COUNTY requests for information required to fulfill the COUNTY'S obligations under the GRANT.
2. Offer to provide access to the improved services to all beneficiaries of this project at its officially adopted utility rates.
3. Permit unrestricted access by the COUNTY and its selected engineering, administrative, and construction contractors to those portions of the construction site under WSC control, to allow performance of the GRANT-related duties outlined in agreements these entities shall have with the COUNTY.

4. Be solely responsible for the continued maintenance and operation of any proposed improvements upon acceptance by the COUNTY of the Certificate of Construction Completion.
5. Pay for any cost overruns attributable to the award of a construction contract or a contract modification, including change orders, to complete the activities described in the GRANT that it has approved in writing.
6. Cooperate with the County in any attempt to modify the GRANT contract with TDA in order to bring costs within the GRANT budget if construction bids exceed the GRANT budget and the WSC is unable to provide funds sufficient to cover the shortfall.
7. Pay any GRANT-related expenses incurred by the COUNTY that are unreimbursed by or repaid to TDA, in the event the GRANT project fails to provide the public improvements and benefits required under the GRANT contract.
8. Pay for any costs resulting from violation or early termination of this Agreement by the WSC.
9. Automatically receive full ownership of the GRANT-funded improvements upon acceptance by the COUNTY of the Certificate of Construction Completion.

The parties further agree that any GRANT funds provided by the COUNTY are without warranty of any kind to the WSC or any third party, and the WSC hereby agrees, to the extent allowable by law, to defend, hold harmless, and indemnify the COUNTY, its officers, agents, and employees for any claims for injury or death of any person or any property damage arising out of the COUNTY'S performance of its obligations under this Agreement. Nothing herein shall be construed to create any rights in third parties.

KLEBERG COUNTY, TEXAS

RICARDO WATER SUPPLY
CORPORATION

RUDY MADRID
COUNTY JUDGE

BALDEMAR GARCIA
PRESIDENT OF THE BOARD

ATTEST:

STEPHANIE G. GARZA
COUNTY CLERK

OLIVER HINOJOSA
BOARD SECRETARY