

RICARDO WATER SUPPLY CORPORATION

2302 E. SAGE RD.

KINGSVILLE, TEXAS 78363

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MEMORANDUM

TO: Ricardo Water Supply Corporation Board of Directors
FROM: Baldemar Garcia, President
DATE: June 13, 2024
SUBJECT: Ricardo Water Supply Corporation Meeting Notice and Agenda

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

Monday, June 17, 2024

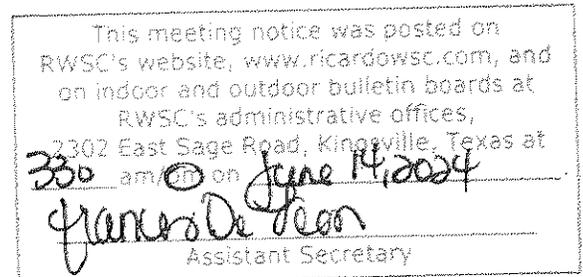
5:30 p.m.

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:

Agenda

1. Call to order.
2. Citizen comments.
3. Review of proposed audit for Fiscal Year 2023.
4. **Resolution 24-02.** Resolution accepting the Fiscal Year 2023 audit prepared by John Womack & Co., P.C. of Kingsville. (Attachment 1)
5. Approval of Minutes. (Attachment 2)
6. Treasurer's Report/Payment of Bills. (Attachment 3)
7. Amended RWSC Water Conservation and Drought Contingency Plan. (Attachment 4)
8. **Resolution 24-03.** Resolution adopting the Amended Ricardo Water Supply Corporation Water Conservation and Drought Contingency Plan. (Attachment 5)
9. Water Supply and Development Contract with Stanley Woelfel, Developer, for the Woelfel Subdivision. (Attachment 6)
10. **Resolution 24-04.** Resolution authorizing the Ricardo Water Supply Corporation President to enter into a Water Supply and Development Contract with Stanley Woelfel, Developer, for the Woelfel Subdivision. (Attachment 7)



11. Lead and Copper Rule Lead Service Line Inventory – Authorization to distribute Lead Service Line Inventory Survey to RWSC customers/members. (Attachment 8)
12. Update on CR 1030 Water Transmission Line Improvements Project, TxCDBG TDA Contract No. CFC21-0479. (Attachment 9)
13. 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/JM/fdl
Attachments

FY 2023 Audit

RICARDO WATER SUPPLY CORPORATION

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2023 AND 2022

RICARDO WATER SUPPLY CORPORATION

Ricardo Water Supply Corporation
 Annual Financial Report
 for the Years Ended December 31, 2023 and 2022

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RICARDO WATER SUPPLY CORPORATION

Financial Section

RICARDO WATER SUPPLY CORPORATION

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

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INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the accompanying financial statements of Ricardo Water Supply Corporation (a nonprofit organization), which comprise the statement of net position as of December 31, 2023 and 2022, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

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, 2023 and 2022, and the changes in net position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Ricardo Water Supply Corporation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental information as listed in the table of contents is presented for purposes of additional analysis rather than to present the results of operations of the Ricardo Water Supply Corporation, 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.



PRIVATE COMPANIES PRACTICE SECTION, AICPA DIVISION FOR CPA FIRMS

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Ricardo Water Supply Corporation's ability to continue as a going concern within one year after the date of the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Ricardo Water Supply Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Ricardo Water Supply Corporation's ability to continue as a going concern for a reasonable period of time.

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

Respectfully submitted,

A handwritten signature in blue ink that reads "John Womack and Company, P.C." The signature is written in a cursive, flowing style.

John Womack and Company, P.C.
Kingsville, Texas
June 14, 2024

RICARDO WATER SUPPLY CORPORATION

STATEMENT OF NET POSITION
DECEMBER 31, 2023 AND 2022

EXHIBIT A-1

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 907,031	\$ 751,957
Accounts receivable - customers	99,847	101,500
Inventory	<u>174,791</u>	<u>133,839</u>
Total Current Assets	<u>1,181,669</u>	<u>987,296</u>
Restricted Assets:		
Cash and cash equivalents:		
Membership deposits	125,031	118,936
Reserve account - cash	<u>129,074</u>	<u>112,199</u>
Total Restricted Assets	<u>254,105</u>	<u>231,135</u>
Property and Equipment:		
Utility plant (net) (Note A & C)	<u>4,463,176</u>	<u>4,619,968</u>
TOTAL ASSETS	\$ <u>5,898,950</u>	\$ <u>5,838,399</u>
LIABILITIES		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 138,076	\$ 127,452
Texas Commission on Environmental Quality fees payable	<u>5,011</u>	<u>4,667</u>
Total Current Liabilities	<u>143,087</u>	<u>132,119</u>
Restricted Liabilities:		
Accrued bond interest	4,654	4,745
Current portion of bonds payable	39,353	38,037
Membership deposits	<u>127,389</u>	<u>122,123</u>
Total Restricted Liabilities	<u>171,396</u>	<u>164,905</u>
Long-Term Liabilities:		
USDA Bonds payable, net of current portion	<u>1,901,913</u>	<u>1,941,302</u>
Total Long-Term Liabilities	<u>1,901,913</u>	<u>1,941,302</u>
TOTAL LIABILITIES	<u>2,216,396</u>	<u>2,238,326</u>
NET POSITION		
Unrestricted Net Position:		
Contributed capital (Note A)	2,022,089	1,978,606
Unrestricted Net Assets	<u>1,660,465</u>	<u>1,621,467</u>
TOTAL NET POSITION	\$ <u>3,682,554</u>	\$ <u>3,600,073</u>

The accompanying notes are an integral part of this statement.

RICARDO WATER SUPPLY CORPORATION

STATEMENT OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2023 AND 2022

EXHIBIT A-2

	December 31, 2023	December 31, 2022
OPERATING REVENUES:		
Water sales	\$ 994,660	\$ 955,443
Other operating income	54,758	40,786
Total Operating Revenues	1,049,418	996,229
OPERATING EXPENSES:		
Water service	348,977	308,169
Water samples	4,033	5,841
Meter reading	71,864	70,155
Depreciation and amortization	229,109	216,736
Dues	7,404	6,351
Insurance	18,794	28,661
Legal and accounting	7,695	7,085
Engineering	900	15,720
Other professional services	3,793	--
Miscellaneous	3,671	2,841
Postage	11,405	8,528
Administration	79,275	83,708
Telephone	8,150	4,042
Repairs and maintenance	192,063	159,699
Supplies	4,187	6,175
Bad debt expense	1,164	879
Total Operating Expenses	992,484	924,590
Net Operating Income	56,934	71,639
NON-OPERATING REVENUES (EXPENSES):		
Interest income	50,640	13,742
Interest expense	(68,576)	(68,944)
Total Non-operating Revenues (Expenses)	(17,936)	(55,202)
CHANGE IN NET ASSETS	\$ 38,998	\$ 16,437

	Unrestricted Net Position	Contributed Capital
Balance, December 31, 2021	\$ 1,605,030	\$ 1,876,028
Contributed Capital Additions, 2022	--	102,578
Change in Net Position, 2022	16,437	--
Balance, December 31, 2022	1,621,467	1,978,606
Contributed Capital Additions, 2023	--	43,483
Change in Net Position, 2023	38,998	--
Balance, December 31, 2023	\$ 1,660,465	\$ 2,022,089

The accompanying notes are an integral part of this statement.

RICARDO WATER SUPPLY CORPORATION

EXHIBIT A-3

STATEMENT OF CASH FLOWS
DECEMBER 31, 2023 AND 2022

	December 31 2023	December 31 2022
Cash Flows from Operating Activities:		
Cash Received from Customers	\$ 1,051,071	\$ 935,773
Cash Payments to Other Suppliers for Goods and Services	(788,220)	(700,144)
Net Cash Provided (Used) by Operating Activities	262,851	235,629
Cash Flows from Capital and Related Financing Activities:		
Acquisition or Construction of Capital Assets	(72,317)	(489,302)
Principal and Interest Paid	(106,613)	(106,704)
Intergovernmental Reimbursements	--	--
Contributed Capital	43,483	102,578
Net Cash Provided (Used) for Capital & Related Financing Activities	(135,447)	(493,428)
Cash Flows from Investing Activities:		
Interest and Dividends on Investments	50,640	13,742
Net Cash Provided (Used) for Investing Activities	50,640	13,742
Net Increase (Decrease) in Cash and Cash Equivalents	178,044	(244,057)
Cash and Cash Equivalents at Beginning of Year	983,092	1,227,149
Cash and Cash Equivalents at End of Year	\$ 1,161,136	\$ 983,092
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income (Loss)	\$ 56,934	\$ 71,639
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities		
Depreciation	229,109	216,736
Change in Assets and Liabilities:		
Decrease (Increase) in Receivables	1,653	(15,709)
Decrease (Increase) in Inventories	(40,952)	(51,037)
Increase (Decrease) in Accounts Payable	10,877	7,710
Increase (Decrease) in Member Deposits	5,230	6,290
Total Adjustments	205,917	163,990
Net Cash Provided (Used) by Operating Activities	\$ 262,851	\$ 235,629
Cash and cash equivalents	\$ 907,031	\$ 751,957
Restricted cash	125,031	118,936
Restricted cash - USDA Note	129,074	112,199
	\$ 1,161,136	\$ 983,092

The accompanying notes are an integral part of this statement.

RICARDO WATER SUPPLY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

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, 2023

(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 2023 nor during fiscal year 2022.

(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, 2023 and 2022, were entirely covered by FDIC insurance or by collateral held by their agent bank. At December 31, 2023, cash equivalents not included in the above depository contract include \$953,188 in Texpool and \$0 in TexSTAR. These funds are highly liquid pooled investments and market value closely approximates cost. At December 31, 2022, these amounts were \$454,728 in Texpool and \$304,180 in TexSTAR.

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.

RICARDO WATER SUPPLY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

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.

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.

RICARDO WATER SUPPLY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

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;
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, 2023

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, 2023 and 2022, Utility Plant in Service is as follows:

	<u>2023</u>	<u>2022</u>
Land	\$ 211,860	\$ 211,860
Distribution lines & equipment	7,383,350	7,311,033
Engineering	431,731	431,731
Furniture & fixtures	60,468	60,468
Construction in Progress	--	--
Total Utility Plant in Service	<u>8,087,409</u>	<u>8,015,092</u>
Less: Accumulated depreciation	<u>(3,624,233)</u>	<u>(3,395,124)</u>
Net Utility Plant in Service	<u>\$ 4,463,176</u>	<u>\$ 4,619,968</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 (2020 through 2023), 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, 2023

E. Long Term Debt

Long-term debt consists of the following:

	Balance 12/31/22	Increases	Decreases	Balance 12/31/23	Current Portion
USDA Promissory Notes	\$ <u>1,979,303</u>	\$ --	\$ <u>38,037</u>	\$ <u>1,941,266</u>	\$ <u>39,353</u>
			<u>2023</u>		<u>2022</u>
 \$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			\$ 1,685,429		\$ 1,718,440
 \$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			<u>255,837</u>		<u>260,863</u>
			1,941,266		1,979,303
 Less current portion			<u>(39,353)</u>		<u>(38,037)</u>
			<u>\$ 1,901,913</u>		<u>\$ 1,941,266</u>

The annual requirements to amortize the debt outstanding at December 31, 2023, is as follows:

Year Ending December 31,	Principal	Interest	Principal	Interest	Total
2024	\$ 34,166	\$ 58,471	\$ 5,187	\$ 8,877	\$ 106,701
2025	35,312	57,256	5,372	8,692	106,632
2026	36,640	55,997	5,563	8,501	106,701
2027	38,043	54,694	5,760	8,303	106,800
2028	39,293	53,345	5,965	8,098	106,701
2029-2033	218,446	244,740	33,164	37,155	533,505
2034-2038	260,158	203,029	39,496	30,823	533,506
2039-2043	309,733	153,354	47,037	23,282	533,406
2044-2048	368,993	94,194	52,274	14,300	529,761
2049-2052	344,645	25,237	56,019	3,832	429,733
	<u>\$ 1,685,429</u>	<u>\$ 1,000,317</u>	<u>\$ 255,837</u>	<u>\$ 151,863</u>	<u>\$ 3,093,446</u>

RICARDO WATER SUPPLY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

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, 2023 and 2022, amounts paid to the South Texas Water Authority for these services totaled \$677,892 and \$630,480, respectively, in the following categories:

	<u>2023</u>	<u>2022</u>
Administration	\$ 150,316	\$ 147,141
Operation	91,665	93,068
Water purchases	348,978	308,169
Repairs and maintenance	<u>86,933</u>	<u>82,102</u>
Total	<u>\$ 677,892</u>	<u>\$ 630,480</u>

G. Concentration of Risk

All customers of Ricardo Water Supply Corporation are located in Kleberg County, Texas. At December 31, 2023 and 2022, there were 1,111 and 1,090 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, 2023, a future discount of \$97,895 still remains on the contract or 197,789 thousands of gallons of water. In 2023, the customer used 140,780 gallons of water for a total discount of \$70; in 2022 it was 215,582 gallons and \$108 discount.

RICARDO WATER SUPPLY CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

I. Subsequent Events

Management has reviewed subsequent events and transactions that occurred after the balance sheet date through June 14, 2024, 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. 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, 2023, WITH COMPARATIVE
 ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2022

	2023		Variance Favorable (Unfavorable)	2022
	Budget	Actual		Actual
OPERATING REVENUES:				
Water sales	\$ 1,005,325	\$ 994,660	\$ (10,665)	\$ 955,443
Other operating income	53,375	54,758	1,383	40,786
Total Operating Revenues	1,058,700	1,049,418	(9,282)	996,229
OPERATING EXPENSES:				
Water service	351,382	348,977	2,405	308,169
Water samples	5,250	4,033	1,217	5,841
Meter reading	76,050	71,864	4,186	70,155
Depreciation and amortization	240,000	229,109	10,891	216,736
Dues	8,000	7,404	596	6,351
Insurance	23,500	18,794	4,706	28,661
Legal and accounting	9,000	7,695	1,305	7,085
Engineering	15,000	900	14,100	15,720
Other professional services	4,000	3,793	207	--
Miscellaneous	4,900	3,671	1,229	2,841
Postage	14,000	11,405	2,595	8,528
Administration	90,000	79,275	10,725	83,708
Telephone	9,500	8,150	1,350	4,042
Repairs and maintenance	223,000	192,063	30,937	159,699
Supplies	6,000	4,187	1,813	6,175
Bad debt expense	1,500	1,164	336	879
Total Operating Expenses	1,081,082	992,484	88,598	924,590
Net Operating Income	(22,382)	56,934	79,316	71,639
NON-OPERATING REVENUES (EXPENSES):				
Interest income	49,000	50,640	1,640	13,742
Interest expense	(68,576)	(68,576)	--	(68,944)
Total Non-operating Revenues (Expenses)	(19,576)	(17,936)	1,640	(55,202)
NET INCOME	(41,958)	38,998	80,956	16,437
Unrestricted Net Position, January 1	1,621,467	1,621,467	--	1,605,030
Unrestricted Net Position, December 31	\$ 1,579,509	\$ 1,660,465	\$ 80,956	\$ 1,621,467

RICARDO WATER SUPPLY CORPORATION

SCHEDULE OF INSURANCE COVERAGE

FOR THE YEAR ENDED DECEMBER 31, 2023

EXHIBIT B-2

Carrier	Type of Coverage	Amount of Coverage	Policy Period
AIA Insurance AAIC	General Liability Property	\$1,000,000/3,000,000 \$2,524,005	12/1/2023 through 12/1/2024
AIA Insurance	Management Liability	\$1,000,000/3,000,000	12/1/2023 through 12/1/2024
Carlisle Ins. Western Surety	Surety Bond Secretary/Treasurer Position	\$25,000	5/15/2023 through 5/15/2024
Carlisle Ins. Traveler's Ins.	Flood Insurance PS#1 - Pump House PS#1 - Warehouse	\$35,000/0 \$100,000/100,000	10/10/2023 through 10/10/2024
AIA Insurance	Flood Insurance PS#2 - CR 2170 PS#3 - CR 2140 Office Fire Hydrants	\$1,385,956 \$1,148,900 \$177,210 \$31,096 \$28,750	12/1/2023 through 12/1/2024
Carlisle Ins. Western Surety	Employee Dishonesty/Crime General Manager Finance Manager Risk Manager	\$150,000	5/15/2023 through 5/15/2024

RICARDO WATER SUPPLY CORPORATION
SCHEDULE OF WATER PURCHASES AND SALES
LAST TEN FISCAL YEARS

EXHIBIT B-3

<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>
12/31/2014	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%
12/31/2021	101,969,000	-	85,858,260	16,110,740	15.80%
12/31/2022	119,757,000	-	90,392,710	29,364,290	24.52%
12/31/2023	123,241,000	-	95,307,780	27,933,220	22.67%

Standard and Non-Standard Service Availability Charges

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

5/8" meter - \$42.00 with no water

3/4" meter - \$63.77 with no water

1" meter - \$89.38 with no water

2" meter - \$106.77 with no water

2" compound - \$213.00 with no water

Customers on line: 1,111

RICARDO WATER SUPPLY CORPORATION

EXHIBIT B-5

SCHEDULE OF FIXED ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2023

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	1,139
162	Oper. Equip.	5	13,295	0	S-L	665	1,219
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	-	-

RICARDO WATER SUPPLY CORPORATION

SCHEDULE OF FIXED ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2023

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	719	-
162	Oper. Equip.	5	18,475	0	S-L	924	9,930
162	Oper. Equip.	5	6,100	0	S-L	610	786
162	Oper. Equip.	5	7,120	0	S-L	712	890
162	Oper. Equip.	5	6,834	0	S-L	683	1,538
162	Oper. Equip.	5	3,000	0	S-L	300	750
162	Oper. Equip.	10	7,400	0	S-L	740	2,960
162	Oper. Equip.	10	74,450	0	S-L	7,445	33,502
162	Oper. Equip.	10	5,727	0	S-L	573	2,864
162	Oper. Equip.	10	3,001	0	S-L	300	1,651
162	Oper. Equip.	10	12,585	0	S-L	315	12,270
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	-	-

RICARDO WATER SUPPLY CORPORATION
SCHEDULE OF FIXED ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2023

EXHIBIT B-5
(continued)

Acct. No.	Class	Life Years	Cost	Sal.	Mtd.	Year Dep.	Net Book Val.
160	Office Equip.	5	395	0	S-L	-	-
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	2,000
160	Office Equip.	5	1,720	0	S-L	-	-
160	Office Equip.	5	678	0	S-L	-	-
160	Office Equip.	5	523	0	S-L	-	-
160	Office Equip.	5	1,575	0	S-L	-	-
160	Office Equip.	5	11,273	0	S-L	1,127	-
160	Office Equip.	5	300	0	S-L	60	20
160	Office Equip.	5	388	0	S-L	78	32
160	Office Equip.	5	895	0	S-L	179	179
160	Office Equip.	5	1,825	0	S-L	573	11
157	Engineering	40	51,164	0	S-L	1,279	12,791
157	Engineering	40	43,400	0	S-L	1,085	13,739
157	Engineering	40	17,800	0	S-L	-	-
157	Engineering	40	319,367	0	S-L	15,968	166,337

RICARDO WATER SUPPLY CORPORATION
SCHEDULE OF FIXED ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2023

EXHIBIT B-5
(continued)

Acct. No.	Class	Life Years	Cost	Sal.	Mtd.	Year Dep.	Net Book Val.
165	Trans. Lines	20	42,900	0	S-L	-	-
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	5,573
165	Trans. Lines	20	290,793	0	S-L	6,573	29,576
165	Trans. Lines	20	56,913	0	S-L	1,308	6,535
165	Trans. Lines	40	929,394	0	S-L	23,235	132,094
165	Trans. Lines	5	2,056	0	S-L	-	-
165	Trans. Lines	40	5,265	0	S-L	132	1,316
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	343
165	Trans. Lines	40	212	0	S-L	5	57
165	Trans. Lines	40	18,864	0	S-L	131	964
165	Trans. Lines	40	281,641	0	S-L	7,053	80,809
165	Trans. Lines	40	2,777	0	S-L	69	903

RICARDO WATER SUPPLY CORPORATION

SCHEDULE OF FIXED ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2023

EXHIBIT B-5
(continued)

Acct. No.	Class	Life Years	Cost	Sal.	Mtd.	Year Dep.	Net Book Val.
165	Trans. Lines	20	8,405	0	S-L	-	-
165	Trans. Lines	20	25,267	0	S-L	353	4,801
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	-	-
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	246,733
165	Trans. Lines	10	12,467	0	S-L	-	-
165	Trans. Lines	50	320,632	0	S-L	6,412	288,441
165	Trans. Lines	10	10,328	0	S-L	-	-
165	Trans. Lines	10	6,485	0	S-L	-	-

RICARDO WATER SUPPLY CORPORATION

SCHEDULE OF FIXED ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2023

EXHIBIT B-5
(continued)

Acct. No.	Class	Life Years	Cost	Sal.	Mtd.	Year Dep.	Net Book Val.
165	Trans. Lines	10	1,935	0	S-L	-	-
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	-	-
165	Trans. Lines	10	42,420	0	S-L	1,060	27,927
165	Trans. Lines	10	11,478	0	S-L	-	-
165	Trans. Lines	10	18,351	0	S-L	-	-
165	Trans. Lines	10	14,198	0	S-L	617	-
165	Trans. Lines	10	10,115	0	S-L	1,012	371
165	Trans. Lines	10	2,095,191	0	S-L	52,380	1,580,122
165	Trans. Lines	10	741,961	0	S-L	18,549	559,562
165	Trans. Lines	10	17,062	0	S-L	1,706	2,756

RICARDO WATER SUPPLY CORPORATION

SCHEDULE OF FIXED ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2023

EXHIBIT B-5
(continued)

Acct. No.	Class	Life Years	Cost	Sal.	Mtd.	Year Dep.	Net Book Val.
165	Trans. Lines	10	40,500	0	S-L	2,025	25,650
165	Trans. Lines	10	24,600	0	S-L	1,230	15,580
165	Trans. Lines	10	15,077	0	S-L	1,508	3,423
165	Trans. Lines	10	21,136	0	S-L	2,114	7,485
165	Trans. Lines	10	27,153	0	S-L	1,358	18,215
165	Trans. Lines	10	82,885	0	S-L	4,144	53,875
165	Trans. Lines	10	9,611	0	S-L	961	4,326
165	Trans. Lines	10	3,821	0	S-L	191	2,690
165	Trans. Lines	10	14,929	0	S-L	1,492	6,718
165	Trans. Lines	10	7,536	0	S-L	753	3,768
165	Trans. Lines	10	16,478	0	S-L	1,648	8,874
165	Trans. Lines	10	70,799	0	S-L	7,080	41,300
165	Trans. Lines	10	2,134	0	S-L	213	1,156
165	Trans. Lines	10	5,532	0	S-L	553	3,366
165	Trans. Lines	10	22,369	0	S-L	2,237	14,288
165	Trans. Lines	10	281,085	0	S-L	7,027	257,660
165	Trans. Lines	10	37,370	0	S-L	2,650	29,800
165	Trans. Lines	10	25,669	0	S-L	2,567	21,870

RICARDO WATER SUPPLY CORPORATION

SCHEDULE OF FIXED ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2023

EXHIBIT B-5

(continued)

Acct. No.	Class	Life Years	Cost	Sal.	Mtd.	Year Dep.	Net Book Val.
165	Trans. Lines	10	10,289	0	S-L	1,029	8,659
165	Trans. Lines	40	415,647	0	S-L	10,391	400,059
165	Trans. Lines	10	13,983	0	S-L	1,398	11,885
165	Trans. Lines	10	27,215	0	S-L	2,722	23,814
165	Trans. Lines	10	23,418	0	S-L	1,561	21,857
165	Trans. Lines	10	6,555	0	S-L	164	6,391
165	Trans. Lines	10	918	0	S-L	8	910
165	Trans. Lines	10	28,840	0	S-L	4,635	24,205
175	Const. in Progress	N/A	-	0	S-L	-	-
			<u>\$ 8,087,409</u>			<u>\$ 229,108</u>	<u>\$ 4,463,175</u>

RICARDO WATER SUPPLY CORPORATION

ATTACHMENT 1

Resolution 24-02

RICARDO WATER SUPPLY CORPORATION

Resolution 24-02

A RESOLUTION ACCEPTING THE FISCAL YEAR 2023 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 2023 Audit.

NOW, THEREFORE, BE IT RESOLVED that the Ricardo Water Supply Corporation accepts the Fiscal Year 2023 audit prepared by John Womack & Co., P.C. of Kingsville, Texas.

Duly adopted this 17th day of June, 2024.

BALDEMAR GARCIA, PRESIDENT

ATTEST:

OLIVER HINOJOSA, SECRETARY/TREASURER

ATTACHMENT 2
Approval of Minutes

RICARDO WATER SUPPLY CORPORATION
Regular Meeting Minutes
April 9, 2024

Board Members Present:

Baldemar Garcia
Robert Garza
Oliver Hinojosa
Frank Escobedo
James Fischer
Tisha Jones

Board Members Absent:

Robert Zavala, Jr.

Staff Present:

John Marez
Frances De Leon
Jo Ella Wagner
Patrick Sendejo

Guests Present:

Rogelio Rodriguez, Water Finance Exchange
Ivan Luna, I.C.E.

1. Call to Order.

Board President Baldemar Garcia called the Regular Meeting of the Ricardo Water Supply Corporation Board of Directors to order at 5:34 p.m. A quorum was present.

2. Citizen comments.

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

3. Election of officers.

Mr. Escobedo made a motion to re-elect the current slate of officers. Ms. Jones seconded and all voted in favor.

The slate of officers remains as follows:

President – Baldemar Garcia
Vice-President – Robert Garza
Secretary/Treasurer – Oliver Hinojosa

4. Approval of Minutes.

Mr. Escobedo made a motion to approve the minutes of the February 29, 2024 Regular Meeting as presented. Mr. Garza seconded. All voted in favor.

5. Treasurer's Report/Payment of Bills.

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

Treasurer's Report as of January 31, 2024
Account Activity for General Account for January 1, 2024 to January 31, 2024
Account Activity for Operations Account for January 1, 2024 to January 31, 2024
Account Activity for Debt Service Account for January 1, 2024 to January 31, 2024
TEXPOOL Participant Statement for 01/01/2024 – 01/31/2024 for General Account
TEXPOOL Participant Statement for 01/01/2024 – 01/31/2024 for Membership Deposit Account
TEXPOOL Participant Statement for 01/01/2024 – 01/31/2024 for USDA Reserve Account
Treasurer's Report as of February 29, 2024
Account Activity for General Account for February 1, 2024 to February 29, 2024
Account Activity for Operations Account for February 1, 2024 to February 29, 2024
Account Activity for Debt Service Account for February 1, 2024 to February 29, 2024
TEXPOOL Participant Statement for 02/01/2024 – 02/29/2024 for General Account
TEXPOOL Participant Statement for 02/01/2024 – 02/29/2024 for Membership Deposit Account
TEXPOOL Participant Statement for 02/01/2024 – 02/29/2024 for USDA Reserve Account

The following bills were presented for payment:

International Consulting Engineers December 1 – 31, 2023 Services	\$ 2,572.00
STWA Invoice S24-025 January 2024 Taps and Repairs	\$ 4,254.35
STWA Invoice S24-027 Supplies and Materials Reimbursement for January 2024	\$ 184.99
STWA Invoice S24-035 February 2024 Water Usage, Water Cost and Handling Charge	\$25,025.03
STWA Invoice S24-036 February 2024 General and Administration	\$18,585.45
STWA Invoice S24-040 February 2024 Taps and Repairs	\$ 3,545.83

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

6. Appointment of Credentials Committee.

Mr. Garza made a motion to appoint Mr. Hinojosa, Mr. Escobedo and Robert Wagner to the Credentials Committee. Mr. Hinojosa seconded and all voted in favor.

7. RWSC Water Conservation and Drought Contingency Plan.

Mr. Marez presented a copy of the 2018 RWSC Water Conservation and Drought Contingency Plan. He explained that the Corporation's Plan is due for the required 5-year update. He requested that the Board authorize staff to update the Water Conservation and Drought Contingency Plan. The final plan will be presented to the Board for approval. Mr. Escobedo made a motion to authorize staff to update the RWSC Water Conservation and Drought Contingency Plan. Ms. Jones seconded and all voted in favor.

8. City of Corpus Christi Drought Contingency Plan – Implementation of Stage 2 Water Restrictions.

Mr. Marez presented official notice that the City of Corpus Christi has implemented Stage 2 Water Restrictions. He stated that upon Board approval, staff will begin working on a notice informing RWSC customers that Stage 2 of the Corporation's Drought Contingency Plan is being implemented. Ms. Jones made a motion to authorize staff to mail out the Stage 2 notice to all RWSC customers. Mr. Garza seconded. All voted in favor.

9. Adjournment.

With no further business to discuss, Mr. Escobedo made a motion to adjourn the meeting at 6:15 pm. Ms. Jones seconded and the motion carried.

Respectfully submitted,

Frances De Leon
Assistant Secretary

ATTACHMENT 3

Treasurer's Report/Payment of Bills

Ricardo Water Supply Corporation
Treasurer's Report
As of March 31, 2024

General Account - KFNB	\$274,559.90
General Account - TexPool	\$540,153.82
General Account - TexPool Prime	\$123,510.06
Operations Account - KFNB	\$3,097.74
Membership Deposit & Refund Account - Texpool	\$126,699.45
Debt Service Account	\$181.66
Reserve Account	\$130,796.70
Petty Cash	\$50.00
Cash Drawer	\$100.00
TOTAL	<u><u>\$1,199,149.33</u></u>

	1/18/2024 Billing Reg.	2/14/2024 Billing Reg.	3/14/2024 Billing Reg.
Total Usage (Gal)	5,258,580	6,090,540	5,209,920
Water Sales (\$)	\$72,094.91	\$79,795.45	\$75,405.06
Adjustments	(\$414.08)	(\$331.07)	(\$379.32)
Turn on Charge	\$1,980.00	\$1,440.00	\$2,040.00
Late Charges	\$1,488.00	\$1,156.00	\$1,199.00
Past Due	\$25,055.71	\$28,948.82	\$28,339.71
Tax	\$389.87	\$430.84	\$407.50
Leak Pay Plan	\$318.33	\$325.63	\$262.63
Sewage	\$5,803.46	\$6,126.30	\$5,857.81
Total Receivables	<u>\$106,716.20</u>	<u>\$117,891.97</u>	<u>\$113,132.39</u>
METERS ON LINE	1112	1112	1113

RICARDO WATER SUPPLY CORP.
GENERAL
MARCH 2024

DATE	DESCRIPTION	CK NO.	DEPOSIT	DISBURSEMENT	BALANCE
	BEGINNING BALANCE				\$241,741.32
03-01	TRANSFER	DEP	\$8,892.00		\$250,633.32
03-01	WATER RECEIPTS	DEP	\$1,994.62		\$252,627.94
03-02	ONLINE PAYMENTS	DEP	\$992.88		\$253,620.82
03-03	ONLINE PAYMENTS	DEP	\$1,926.77		\$255,547.59
03-03	ONLINE PAYMENTS	DEP	\$773.54		\$256,321.13
03-04	WATER RECEIPTS	DEP	\$3,629.46		\$259,950.59
03-04	ONLINE PAYMENTS	DEP	\$1,262.50		\$261,213.09
03-04	RETURNED CR. CARD PAYMENT FEE				\$261,213.09
03-05	WATER RECEIPTS	DEP	\$2,536.70		\$263,749.79
03-05	RICARDO WASTEWATER- INV#022924	4567		\$3,184.99	\$260,564.80
03-05	ONLINE PAYMENTS	DEP	\$1,068.19		\$261,632.99
03-06	WATER RECEIPTS	DEP	\$825.02		\$262,458.01
03-06	ONLINE PAYMENTS	DEP	\$1,420.33		\$263,878.34
03-07	STWA- REPAIRS, INSTALLS (S24-025)	4568		\$4,254.35	\$259,623.99
03-07	FERGUSON ENTERPRISES	4569		\$1,803.50	\$257,820.49
03-07	RON PERRIN WATER TECH.	4570		\$3,793.00	\$254,027.49
03-07	STWA- QUILL SCANNER (S24-027)	4571		\$184.99	\$253,842.50
03-07	WATER RECEIPTS	DEP	\$2,474.36		\$256,316.86
03-07	ONLINE PAYMENTS	DEP	\$1,717.57		\$258,034.43
03-08	WATER RECEIPTS	DEP	\$2,138.12		\$260,172.55
03-10	ONLINE PAYMENTS	DEP	\$2,053.97		\$262,226.52
03-10	ONLINE PAYMENTS	DEP	\$2,660.08		\$264,886.60
03-11	WATER RECEIPTS	DEP	\$3,043.39		\$267,929.99
03-11	URI - ACH	DEP	\$230.84		\$268,160.83
03-12	WATER RECEIPTS	DEP	\$766.82		\$268,927.65
03-12	ONLINE PAYMENTS	DEP	\$1,702.25		\$270,629.90
03-12	ONLINE PAYMENTS	DEP	\$1,029.30		\$271,659.20
03-13	ONLINE PAYMENTS	DEP	\$855.84		\$272,515.04
03-13	WATER RECEIPTS	DEP	\$293.37		\$272,808.41
03-14	WATER RECEIPTS	DEP	\$727.00		\$273,535.41
03-14	GARCIA, P. #1358- TRANSFER FEE	DEP	\$25.00		\$273,560.41
03-14	ONLINE PAYMENTS	DEP	\$966.78		\$274,527.19
03-15	ONLINE PAYMENTS	DEP	\$1,218.87		\$275,746.06
03-15	WATER RECEIPTS	DEP	\$219.97		\$275,966.03
03-15	ONLINE PAYMENTS	DEP	\$906.66		\$276,872.69
03-16	ONLINE PAYMENTS	DEP	\$533.89		\$277,406.58
03-17	ONLINE PAYMENTS	DEP	\$0.00		\$277,406.58
03-18	WATER RECEIPTS	DEP	\$707.17		\$278,113.75
03-18	ONLINE PAYMENTS	DEP	\$1,209.45		\$279,323.20
03-19	WATER RECEIPTS	DEP	\$602.92		\$279,926.12
03-19	ONLINE PAYMENTS	DEP	\$1,067.14		\$280,993.26

03-20	WATER RECEIPTS	DEP	\$980.75		\$281,974.01
03-20	NUECES ELECTRIC COOP.	ACH	\$68.44		\$282,042.45
03-20	RICARDO WASTEWATER	4572		\$1,985.33	\$280,057.12
03-20	ONLINE PAYMENTS	DEP	\$1,611.24		\$281,668.36
03-21	WATER RECEIPTS	DEP	\$1,505.02		\$283,173.38
03-21	RUMPF, R. #1361- MEMBERSHIP	DEP	\$200.00		\$283,373.38
03-22	WATER RECEIPTS	DEP	\$261.50		\$283,634.88
03-22	RWSC BANK DRAFTS	ACH	\$13,983.58		\$297,618.46
03-22	CNA SURETY	4573		\$750.00	\$296,868.46
03-24	ONLINE PAYMENTS	DEP	\$90.89		\$296,959.35
03-24	ONLINE PAYMENTS	DEP	\$1,570.37		\$298,529.72
03-25	WATER RECEIPTS	DEP	\$3,526.90		\$302,056.62
03-25	STWA - POSTAGE, ADMIN, READINGS	4574		\$18,585.45	\$283,471.17
03-25	STWA- FEBRUARY WATER	4575		\$25,025.03	\$258,446.14
03-25	ONLINE PAYMENTS	DEP	\$2,097.65		\$260,543.79
03-25	ONLINE PAYMENTS	DEP	\$1,119.66		\$261,663.45
03-26	ONLINE PAYMENTS	DEP	\$699.96		\$262,363.41
03-26	WATER RECEIPTS	DEP	\$3,214.00		\$265,577.41
03-26	ONLINE PAYMENTS	DEP	\$2,348.52		\$267,925.93
03-27	WATER RECEIPTS	DEP	\$2,202.86		\$270,128.79
03-27	ONLINE PAYMENTS	DEP	\$673.97		\$270,802.76
03-28	WATER RECEIPTS	DEP	\$188.18		\$270,990.94
03-28	ONLINE PAYMENTS	DEP	\$642.00		\$271,632.94
03-29	ONLINE PAYMENTS	DEP	\$1,000.96		\$272,633.90
03-30	ONLINE PAYMENTS	DEP	\$392.66		\$273,026.56
03-31	ONLINE PAYMENTS	DEP	\$636.70		\$273,663.26
03-31	INTEREST EARNED	DEP	\$896.64		\$274,559.90
			\$92,385.22	\$59,566.64	

RICARDO WATER SUPPLY CORPORATION

OPERATIONS

2024

DATE DESCRIPTION	CK NO.	DEPOSITS	DISBURSE.	BALANCE
MARCH 2024				\$4,081.93
03-07 CITY OF CC- CENTRAL CASHIERS	6906		\$119.00	\$3,962.93
03-07 IMMENSE IMPACT , LLC	6907		\$567.91	\$3,395.02
03-07 MC'COY'S BUILDING SUPPLY	6908		\$13.13	\$3,381.89
03-07 TEXAS EXCAVATION SAFETY SYSTEM	6909		\$62.10	\$3,319.79
03-14 PSI HOLDINGS, LLC	ACH		\$43.30	\$3,276.49
03-22 CNA SURETY	6910		\$87.50	\$3,188.99
03-22 STAPLES ADVANTAGE	6911		\$108.79	\$3,080.20
03-31 INTEREST EARNRED	DEP	\$17.54		\$3,097.74
		<u>\$17.54</u>	<u>\$1,001.73</u>	



Participant Statement

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

Statement Period **03/01/2024 - 03/31/2024**

Page 1 of 2

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

TexPool Update

Based on participant feedback, effective December 1, 2023, TexPool now offers direct check purchases into TexPool and TexPool Prime. Please contact TexPool Participant Services to learn more.

TexPool Summary

Pool Name	Beginning Balance	Total Deposits	Total Withdrawals	Total Interest	Current Balance	Average Balance
Texas Local Government Investment Pool	\$555,509.98	\$0.00	\$17,784.00	\$2,427.84	\$540,153.82	\$538,039.25
TexPool Prime	\$122,936.90	\$0.00	\$0.00	\$573.16	\$123,510.06	\$123,010.86
Total Dollar Value	\$678,446.88	\$0.00	\$17,784.00	\$3,001.00	\$663,663.88	

Portfolio Value

Pool Name	Pool/Account	Market Value (03/01/2024)	Share Price (03/31/2024)	Shares Owned (03/31/2024)	Market Value (03/31/2024)
Texas Local Government Investment Pool	449/1370100001	\$555,509.98	\$1.00	540,153.820	\$540,153.82
TexPool Prime	590/1370100001	\$122,936.90	\$1.00	123,510.060	\$123,510.06
Total Dollar Value		\$678,446.88			\$663,663.88

Interest Summary

Pool Name	Pool/Account	Month-to-Date Interest	Year-to-Date Interest
Texas Local Government Investment Pool	449/1370100001	\$2,427.84	\$7,358.94
TexPool Prime	590/1370100001	\$573.16	\$1,682.41
Total		\$3,001.00	\$9,041.35





Participant Statement

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

Statement Period **03/01/2024 - 03/31/2024**

Page 1 of 2

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

TexPool Update

Based on participant feedback, effective December 1, 2023, TexPool now offers direct check purchases into TexPool and TexPool Prime. Please contact TexPool Participant Services to learn more.

TexPool Summary

Pool Name	Beginning Balance	Total Deposits	Total Withdrawals	Total Interest	Current Balance	Average Balance
Texas Local Government Investment Pool	\$126,129.96	\$0.00	\$0.00	\$569.49	\$126,699.45	\$126,203.44
Total Dollar Value	\$126,129.96	\$0.00	\$0.00	\$569.49	\$126,699.45	

Portfolio Value

Pool Name	Pool/Account	Market Value (03/01/2024)	Share Price (03/31/2024)	Shares Owned (03/31/2024)	Market Value (03/31/2024)
Texas Local Government Investment Pool	449/1370100003	\$126,129.96	\$1.00	126,699.450	\$126,699.45
Total Dollar Value		\$126,129.96			\$126,699.45

Interest Summary

Pool Name	Pool/Account	Month-to-Date Interest	Year-to-Date Interest
Texas Local Government Investment Pool	449/1370100003	\$569.49	\$1,668.55
Total		\$569.49	\$1,668.55





Participant Statement

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

Statement Period **03/01/2024 - 03/31/2024**

Page 1 of 2

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

TexPool Update

Based on participant feedback, effective December 1, 2023, TexPool now offers direct check purchases into TexPool and TexPool Prime. Please contact TexPool Participant Services to learn more.

TexPool Summary

Pool Name	Beginning Balance	Total Deposits	Total Withdrawals	Total Interest	Current Balance	Average Balance
Texas Local Government Investment Pool	\$130,208.82	\$0.00	\$0.00	\$587.88	\$130,796.70	\$130,284.68
Total Dollar Value	\$130,208.82	\$0.00	\$0.00	\$587.88	\$130,796.70	

Portfolio Value

Pool Name	Pool/Account	Market Value (03/01/2024)	Share Price (03/31/2024)	Shares Owned (03/31/2024)	Market Value (03/31/2024)
Texas Local Government Investment Pool	449/1370100004	\$130,208.82	\$1.00	130,796.700	\$130,796.70
Total Dollar Value		\$130,208.82			\$130,796.70

Interest Summary

Pool Name	Pool/Account	Month-to-Date interest	Year-to-Date interest
Texas Local Government Investment Pool	449/1370100004	\$587.88	\$1,722.49
Total		\$587.88	\$1,722.49



Ricardo Water Supply Corporation
Treasurer's Report
As of April 30, 2024

General Account - KFNB	\$96,244.51
General Account - TexPool	\$733,757.12
General Account - TexPool Prime	\$124,066.00
Operations Account - KFNB	\$2,041.06
Membership Deposit & Refund Account - TexPool	\$127,252.81
Debt Service Account	\$181.66
Reserve Account	\$131,368.02
Petty Cash	\$50.00
Cash Drawer	\$100.00
TOTAL	<u><u>\$1,215,061.18</u></u>

	2/14/2024 Billing Reg.	3/14/2024 Billing Reg.	4/13/2024 Billing Reg.
Total Usage (Gal)	6,090,540	5,209,920	7,287,850
Water Sales (\$)	\$79,795.45	\$75,405.06	\$86,074.70
Adjustments	(\$331.07)	(\$379.32)	(\$423.00)
Turn on Charge	\$1,440.00	\$2,040.00	\$1,560.00
Late Charges	\$1,156.00	\$1,199.00	\$1,303.00
Past Due	\$28,948.82	\$28,339.71	\$30,474.62
Tax	\$430.84	\$407.50	\$462.98
Leak Pay Plan	\$325.63	\$262.63	\$262.64
Sewage	\$6,126.30	\$5,857.81	\$6,319.57
Total Receivables	<u>\$117,891.97</u>	<u>\$113,132.39</u>	<u>\$126,034.51</u>
METERS ON LINE	1112	1113	1118

RICARDO WATER SUPPLY CORP.

GENERAL

APRIL 2024

DATE	DESCRIPTION	CK NO.	DEPOSIT	DISBURSEMENT	BALANCE
04-01	BEGINNING BALANCE				\$274,559.90
04-01	ONLINE PAYMENTS	DEP	\$1,338.78		\$275,898.68
04-02	WATER RECEIPTS	DEP	\$7,995.90		\$283,894.58
04-02	ONLINE PAYMENTS	DEP	\$1,501.87		\$285,396.45
04-03	WATER RECEIPTS	DEP	\$1,398.94		\$286,795.39
04-03	ONLINE PAYMENTS	DEP	\$2,048.32		\$288,843.71
04-04	WATER RECEIPTS	DEP	\$1,298.85		\$290,142.56
04-04	MARAVILLA, M. #1363-MEMBERSHIP	DEP	\$200.00		\$290,342.56
04-04	ONLINE PAYMENTS	DEP	\$1,342.18		\$291,684.74
04-05	WATER RECEIPTS	DEP	\$2,077.16		\$293,761.90
04-05	ENCORE ENERGY CORP.	ACH	\$381.70		\$294,143.60
04-05	ONLINE PAYMENTS	DEP	\$1,873.19		\$296,016.79
04-06	ONLINE PAYMENTS	DEP	\$448.88		\$296,465.67
04-07	ONLINE PAYMENTS	DEP	\$944.26		\$297,409.93
04-08	WATER RECEIPTS	DEP	\$2,384.83		\$299,794.76
04-08	RICARDO WASTEWATER INV#03162024	4576		\$2,065.30	\$297,729.46
04-08	ONLINE PAYMENTS	DEP	\$1,064.55		\$298,794.01
04-09	WATER RECEIPTS	DEP	\$2,528.88		\$301,322.89
04-09	ONLINE PAYMENTS	DEP	\$2,197.13		\$303,520.02
04-10	WATER RECEIPTS	DEP	\$2,652.51		\$306,172.53
04-10	ONLINE PAYMENTS	DEP	\$2,865.60		\$309,038.13
04-11	WATER RECEIPTS	DEP	\$672.25		\$309,710.38
04-11	ONLINE PAYMENTS	DEP	\$1,497.15		\$311,207.53
04-12	WATER RECEIPTS	DEP	\$446.22		\$311,653.75
04-12	NUECES ELECTRIC COOP.	ACH	\$55.73		\$311,709.48
04-12	ONLINE PAYMENTS	DEP	\$1,266.96		\$312,976.44
04-13	ONLINE PAYMENTS	DEP	\$818.89		\$313,795.33
04-14	ONLINE PAYMENTS	DEP	\$934.25		\$314,729.58
04-15	WATER RECEIPTS	DEP	\$592.63		\$315,322.21
04-15	ONLINE PAYMENTS	DEP	\$2,147.74		\$317,469.95
04-16	WATER RECEIPTS	DEP	\$309.04		\$317,778.99
04-16	CUSTER, F. #1375- MEMBERSHIP	DEP	\$1,310.00		\$319,088.99
04-16	WINTER, KASEY- DEV. ANALYSIS	DEP	\$400.00		\$319,488.99
04-16	ONLINE PAYMENTS	DEP	\$1,697.42		\$321,186.41
04-17	WATER RECEIPTS	DEP	\$1,117.17		\$322,303.58
04-17	SCHEETS, R. #1376- MEMBERSHIP	DEP	\$1,310.00		\$323,613.58
04-17	ONLINE PAYMENTS	DEP	\$1,951.43		\$325,565.01
04-18	WATER RECEIPTS	DEP	\$637.79		\$326,202.80
04-18	ONLINE PAYMENTS	DEP	\$1,225.20		\$327,428.00
04-19	WATER RECEIPTS	DEP	\$365.49		\$327,793.49
04-19	ONLINE PAYMENTS	DEP	\$899.61		\$328,693.10
04-20	ONLINE PAYMENTS	DEP	\$229.26		\$328,922.36
04-21	ONLINE PAYMENTS	DEP	\$237.98		\$329,160.34
04-22	WATER RECEIPTS	DEP	\$2,131.59		\$331,291.93

04-22	RWSC BANK DRAFTS	DEP	\$16,052.45		\$347,344.38
04-22	JOE CASILLAS	4577		\$548.54	\$346,795.84
04-22	STWA- CSI, TAPS, REPAIRS	4578		\$3,545.83	\$343,250.01
04-22	STWA- MARCH WATER	4579		\$31,943.82	\$311,306.19
04-22	STWA- POSTAGE, ADMIN, SAMPLES	4580		\$24,235.85	\$287,070.34
04-22	ONLINE PAYMENTS	DEP	\$893.44		\$287,963.78
04-23	WATER RECEIPTS	DEP	\$4,119.42		\$292,083.20
04-23	GOMEZ, R. #1377- MEMBERSHIP	DEP	\$1,010.00		\$293,093.20
04-23	ONLINE PAYMENTS	DEP	\$1,099.52		\$294,192.72
04-24	WATER RECEIPTS	DEP	\$1,404.23		\$295,596.95
04-24	ONLINE PAYMENTS	DEP	\$2,124.82		\$297,721.77
04-24	LIONEL CASTILLO III	NSF		\$149.15	\$297,572.62
04-25	TRANSFER TO TEXPOOL	WIRE		\$200,000.00	\$97,572.62
04-25	WATER RECEIPTS	DEP	\$3,990.68		\$101,563.30
04-25	ONLINE PAYMENTS	DEP	\$2,375.89		\$103,939.19
04-26	WATER RECEIPTS	DEP	\$630.70		\$104,569.89
04-26	SMITH, J.- DEVELOPER ANALYSIS	DEP	\$400.00		\$104,969.89
04-26	VOID	4581		\$0.00	\$104,969.89
04-26	RICARDO WASTEWATER INV#04222024	4582		\$2,949.67	\$102,020.22
04-26	STWA- REPAIRS, ADMIN, TAPS, CSI	4583		\$10,365.35	\$91,654.87
04-26	STWA- REIMBURSE FOR HYDRO VAC	4584		\$430.33	\$91,224.54
04-26	STWA- REIMBURSE FOR MERCER	4585		\$1,797.25	\$89,427.29
04-26	ONLINE PAYMENTS	DEP	\$850.07		\$90,277.36
04-27	ONLINE PAYMENTS	DEP	\$316.02		\$90,593.38
04-28	ONLINE PAYMENTS	DEP	\$364.05		\$90,957.43
04-29	WATER RECEIPTS	DEP	\$1,226.18		\$92,183.61
04-29	ONLINE PAYMENTS	DEP	\$349.89		\$92,533.50
04-30	WATER RECEIPTS	DEP	\$1,971.73		\$94,505.23
04-30	ONLINE PAYMENTS	DEP	\$905.08		\$95,410.31
04-30	INTEREST EARNED	DEP	\$834.20		\$96,244.51
			<u>\$99,715.70</u>	<u>\$278,031.09</u>	

RICARDO WATER SUPPLY CORPORATION

OPERATIONS

2024

DATE DESCRIPTION	CK NO.	DEPOSITS	DISBURSE.	BALANCE
APRIL 2024				\$3,097.74
04-08 TEXAS EXCAVATIONS SAFETY SYSTEM	6912		\$50.60	\$3,047.14
04-10 PSI HOLDINGS, LLC	ACH		\$43.30	\$3,003.84
04-22 CITY OF CORPUS CHRISTI- C.C.	6913		\$51.00	\$2,952.84
04-22 CORE & MAIN LP	6914		\$212.18	\$2,740.66
04-22 DSHS CENTRAL LAB MC2004- VOID	6915		\$0.00	\$2,740.66
04-22 ECONOMY PRINTING	6916		\$174.28	\$2,566.38
04-22 MCCOY'S	6917		\$98.55	\$2,467.83
04-22 SILVA'S CONSTRUCTION	6918		\$205.19	\$2,262.64
04-26 MS. HARRY L. WRIGHT	6919		\$236.49	\$2,026.15
04-30 INTEREST EARNED	DEP	\$14.91		\$2,041.06
		\$14.91	\$1,071.59	

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



TEXAS TRUST
 TEXAS TRUST COMPANY
 COMPTROLLER GLENN HEGAR, CHAIRMAN

Participant Statement

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

Statement Period **04/01/2024 - 04/30/2024**

Page 1 of 2

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

TexPool Update

Based on participant feedback, effective December 1, 2023, TexPool now offers direct check purchases into TexPool and TexPool Prime. Please contact TexPool Participant Services to learn more.

TexPool Summary

Pool Name	Beginning Balance	Total Deposits	Total Withdrawals	Total Interest	Current Balance	Average Balance
Texas Local Government Investment Pool	\$540,153.82	\$200,000.00	\$8,892.00	\$2,495.30	\$733,757.12	\$571,345.00
TexPool Prime	\$123,510.06	\$0.00	\$0.00	\$555.94	\$124,066.00	\$123,528.59
Total Dollar Value	\$663,663.88	\$200,000.00	\$8,892.00	\$3,051.24	\$857,823.12	

Portfolio Value

Pool Name	Pool/Account	Market Value (04/01/2024)	Share Price (04/30/2024)	Shares Owned (04/30/2024)	Market Value (04/30/2024)
Texas Local Government Investment Pool	449/1370100001	\$540,153.82	\$1.00	733,757.120	\$733,757.12
TexPool Prime	590/1370100001	\$123,510.06	\$1.00	124,066.000	\$124,066.00
Total Dollar Value		\$663,663.88			\$857,823.12

Interest Summary

Pool Name	Pool/Account	Month-to-Date Interest	Year-to-Date Interest
Texas Local Government Investment Pool	449/1370100001	\$2,495.30	\$9,854.24
TexPool Prime	590/1370100001	\$555.94	\$2,238.35
Total		\$3,051.24	\$12,092.59



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 **04/01/2024 - 04/30/2024**

Page 1 of 2

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

TexPool Update

Based on participant feedback, effective December 1, 2023, TexPool now offers direct check purchases into TexPool and TexPool Prime. Please contact TexPool Participant Services to learn more.

TexPool Summary

Pool Name	Beginning Balance	Total Deposits	Total Withdrawals	Total Interest	Current Balance	Average Balance
Texas Local Government Investment Pool	\$126,699.45	\$0.00	\$0.00	\$553.36	\$127,252.81	\$126,717.90
Total Dollar Value	\$126,699.45	\$0.00	\$0.00	\$553.36	\$127,252.81	

Portfolio Value

Pool Name	Pool/Account	Market Value (04/01/2024)	Share Price (04/30/2024)	Shares Owned (04/30/2024)	Market Value (04/30/2024)
Texas Local Government Investment Pool	449/1370100003	\$126,699.45	\$1.00	127,252.810	\$127,252.81
Total Dollar Value		\$126,699.45			\$127,252.81

Interest Summary

Pool Name	Pool/Account	Month-to-Date Interest	Year-to-Date Interest
Texas Local Government Investment Pool	449/1370100003	\$553.36	\$2,221.91
Total		\$553.36	\$2,221.91





Participant Statement

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

Statement Period **04/01/2024 - 04/30/2024**

Page 1 of 2

Customer Service **1-866-TEX-POOL**

Location ID 000077893

Investor ID 000021281

TexPool Update

Based on participant feedback, effective December 1, 2023, TexPool now offers direct check purchases into TexPool and TexPool Prime. Please contact TexPool Participant Services to learn more.

TexPool Summary

Pool Name	Beginning Balance	Total Deposits	Total Withdrawals	Total Interest	Current Balance	Average Balance
Texas Local Government Investment Pool	\$130,796.70	\$0.00	\$0.00	\$571.32	\$131,368.02	\$130,815.74
Total Dollar Value	\$130,796.70	\$0.00	\$0.00	\$571.32	\$131,368.02	

Portfolio Value

Pool Name	Pool/Account	Market Value (04/01/2024)	Share Price (04/30/2024)	Shares Owned (04/30/2024)	Market Value (04/30/2024)
Texas Local Government Investment Pool	449/1370100004	\$130,796.70	\$1.00	131,368.020	\$131,368.02
Total Dollar Value		\$130,796.70			\$131,368.02

Interest Summary

Pool Name	Pool/Account	Month-to-Date Interest	Year-to-Date Interest
Texas Local Government Investment Pool	449/1370100004	\$571.32	\$2,293.81
Total		\$571.32	\$2,293.81



INVOICE

2302 E. SAGE RD.

S24 - 048

KINGSVILLE, TEXAS 78363

April 11, 2024

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

Usage

FM 772 Meter			
Current Reading:	4/1/2024	217135	
Previous Reading:	3/1/2024	217135	
Current usage			0
Kingsville Meter			
Current Reading:	4/1/2024	858224	
Previous Reading:	3/1/2024	848507	
Current usage			9,717,000
Total Water Usage for Period	3/1/2024 to 4/1/2024		9,717,000
Less Credit for GST overflow at PS#1 on 03/19/24			-97,520
Total Water delivered			9,619,480
Ratio STWA to Total			100%

Contract Year to Date Usage - 53,598,480 gallons

Water Rate (per thousand gallons)

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

Total charges	\$134,831.52	
Total consumption	47,800	
Cost of Water from City of Corpus Christi	\$ 2.820743	

				Amount Due
STWA Handling Charge	9,619,480 g @	\$ 0.500000	=	\$ 4,809.74
Corpus Christi Water Cost	9,619,480 g @	\$ 2.820743	=	\$ 27,134.08
Water Rate for current billing period		\$ 3.320743		

Cost of Water

9,619,480 gallons @ \$3.320743 per thousand gallons \$ 31,943.82

Total Due for Water Usage for period 3/1/2024 to 4/1/2024 **\$ 31,943.82**

Net Water Revenue - STWA	
Handling Charge	\$ 4,809.74
less Pumping Cost	\$ 1,407.66
= Net Revenue	\$ 3,402.08

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

Jose M. Graveley, President
Frances Garcia, Vice-President
Imelda Garza, Secretary-Treasurer
Rudy Galvan, Jr.
Kathleen Lowman

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

Fax: (361) 592-5965

Angela N. Pena
Arturo Rodriguez
Patsy A. Rodgers
John Marez, Administrator

INVOICE

S24 - 049

April 11, 2024

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

Description		Amount Due	
No. of Connections This Month:		1111	
1111	General Maintenance (per connection) @	\$ 5.65	\$ 6,277.15
1111	Read Meters (per connection) @	\$ 2.50	2,777.50
3	Sample Collection (per sample) @	\$ 40.00	120.00
Billing Services for Month of:			
March, 2024			
256	Final Notice Cards @	\$ 1.10	03/12/24 281.60
1122	Statements @	\$ 2.00	03/15/24 2,244.00
1111	Administration (per connection) @	\$ 6.00	6,666.00
908	Annual Meeting Mailouts @	\$ 5.00	03/04/24 4,540.00
3360	Copies @	\$ 0.10	336.00
	Postage		593.60
2	Developer analysis @	\$ 200.00	Olivarez/Best Est. 400.00
TOTAL			\$ 24,235.85

Payment Due by
April 30, 2024

Thank You!

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S24-053

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

DATE	DESCRIPTION	W.O. #	Invoiced to others	Due to STWA
3/2/24	Weekend residual checks on rural system and read meters.	7591	0.00	140.00
2/29/24	RWSC Board meeting.	7592	0.00	65.70
3/6/24	Tap & meter set at acct. #1365-Fryar, CR 2215, also required a long service road bore.	7593	1556.25	1,401.25
3/8/24	Made chlorine/LAS adjustments at PS #1 and PS #2.	7594	0.00	140.00
3/10/24	Weekend residual checks on rural system and read meters.	7595	0.00	157.50
3/12/24	Tap & meter set at acct. #1366-Bennett, CR 1055.	7596	585.00	430.00
3/7/24	Made chlorine/LAS adjustments at PS #1.	7597	0.00	17.50
3/14/24	After hours work required to reread meters.	7598	0.00	24.08
3/16/24	Tap & meter set at acct. #1369-Olivarez, CR 1040. A long service road bore of CR 1040 also required.	7599	2043.33	1,888.33
3/16/24	Tap & meter set at acct. #1370-Olivarez, CR 1370. A long service road bore of CR 1040 was also required.	7600	2136.74	1,981.74
3/17/24	Weekend residual checks on rural system and read meters.	7601	0.00	192.50
3/19/24	After hours work at PS #1 due to GST overflow. Reset MOV due to power loss.	7602	0.00	70.00
3/20/24	Meter unlock at acct. #1194-Martinez, CR 2206.	7603	60.00	60.00
3/20/24	Meter removal due to non-payment at acct. #737-Mendez, CR 1065.	7604	60.00	60.00
3/20/01	Replaced damaged meter box lid at acct. #322-Vela, FM 2619.	7605	0.00	35.00

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 Frances Garcia, Vice-President
 Imelda Garza, Secretary-Treasurer
 Rudy Galvan, Jr.
 Kathleen Lowman

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 Fax: (361) 592-5965

Joe Morales
 Angela N. Pena
 Arturo Rodriguez
 Patsy A. Rodgers
 John Marez, Administrator

DATE	DESCRIPTION	W.O. #	Invoiced to others	Due to STWA
3/22/24	Meter change-out at acct. #430-Gandy, CR 2140. Meter dial hard to read.	7606	0.00	110.00
3/22/24	Meter change-out at acct. #1340-Garcia, CR 2180. Meter had been vandalized.	7607	0.00	110.00
3/24/24	Weekend residual checks on rural system and read meters.	7608	0.00	105.00
3/23/24	Tap & meter set at acct. #1374-Ramirez, CR 1015.	7609	585.00	640.00
3/23/24	Tap & meter set at acct. #1372-Hinojosa, CR 2195.	7610	585.00	640.00
3/26/24	After hour unlocks at acct. #1304-Collins, #367-Balboa and #599-Rodriguez.	7611	270.00	270.00
3/27/24	Customer service inspection at acct. #567-Hinojosa, CR 2195. Passed inspection.	7612	75.00	75.00
3/27/24	After hours work processing lock out charges, preparing the list and closing the front area.	7613	0.00	8.42
3/29/24	Good Friday, Holiday residual checks on rural system and read meters.	7614	0.00	93.33
3/31/24	Weekend residual checks on rural system and read meters.	7615	0.00	140.00
3/31/24	March 2024 Regular hour unlocks-#1140-Davila, #3-Zapata #958-Bryant c/o Gonzalez, #83-Olivarez, #80-Zavala c/o Longoria, #1342-Mireles, #1174-Mireles, #911-De La Paz, #256-De La Paz, #1173-Gonzalez, #834-Garcia, #923-Gonzalez, #988-Perez, #1164-McCreary, #1115-Marquez, #606-Solis, #333-Aguilera, #402-Quintanilla.	7616	1080.00	1,080.00

Due to STWA 9,935.35
 Amount Invoiced to Others \$ 9,036.32

11/21/23	Tap & meter set at acct. #1358-Rios, CR 2210. Missed on November 2023 Invoice.	\$ 585.00	\$ 430.00
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Due to STWA 10,365.35

Payment due by April 29, 2024
 Thank you

INVOICE

2302 E. SAGE RD.

S24 - 071

KINGSVILLE, TEXAS 78363

May 20, 2024

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

Usage

FM 772 Meter			
Current Reading:	5/1/2024	217135	
Previous Reading:	4/1/2024	217135	
Current usage			0
Kingsville Meter			
Current Reading:	5/1/2024	868882	
Previous Reading:	4/1/2024	858224	
Current usage			10,658,000
Total Water Usage for Period	4/1/2024	to 5/1/2024	10,658,000
			<hr/>
Total Water delivered			10,658,000
Ratio STWA to Total			100%
Contract Year to Date Usage ----- 64,256,480 gallons			

Water Rate (per thousand gallons)

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

Total charges	\$119,927.52	
Total consumption	42,400	
Cost of Water from City of Corpus Christi	\$ 2.828479	

				Amount Due
STWA Handling Charge	10,658,000 g @	\$ 0.500000	=	\$ 5,329.00
Corpus Christi Water Cost	10,658,000 g @	\$ 2.828479	=	\$ 30,145.93
Water Rate for current billing period		\$ 3.328479		

Cost of Water

10,658,000 gallons @ \$3.328479 per thousand gallons \$ 35,474.93

Total Due for Water Usage for period 4/1/2024 to 5/1/2024 **\$ 35,474.93**

Net Water Revenue - STWA	
Handling Charge	\$ 5,329.00
less Pumping Cost	- \$ 1,537.57
= Net Revenue	\$ 3,791.43

Payment Due within 30 days of Receipt of Invoice

Thank You!

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Kathleen Lowman

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Fax: (361) 592-5965

Joe Morales
Angela N. Pena
Arturo Rodriguez
Patsy A. Rodgers
John Marez, Administrator

INVOICE

S24 - 072

May 20, 2024

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

Description		Amount Due	
No. of Connections This Month:		1116	
1116	General Maintenance (per connection) @	\$ 5.65	\$ 6,305.40
1116	Read Meters (per connection) @	\$ 2.50	2,790.00
3	Sample Collection (per sample) @	\$ 40.00	120.00
Billing Services for Month of:			
April, 2024			
234	Final Notice Cards @	\$ 1.10	04/11/24 257.40
1127	Statements @	\$ 2.00	04/15/24 2,254.00
1116	Administration (per connection) @	\$ 6.00	6,696.00
7812	Copies @	\$ 0.10	781.20
	Postage		742.80
		TOTAL	\$ 19,946.80

Payment Due by
May 31, 2024

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

STWA

SOUTH TEXAS WATER AUTHORITY

2302 E. SAGE RD.

KINGSVILLE, TEXAS 78363

S24-076

May 15, 2024

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

DATE	DESCRIPTION	W.O. #	Invoiced to others	Due to STWA
04/01/24	Holiday residual checks on rural system and read meters.	7617	0.00	140.00
04/05/24	Regular hour call-out at acct. #276-Lee, Anthony Lane. Repaired meter leak, tightened corp stop side.	7618	0.00	30.00
04/02/24	Meter change-out due to meter malfunction at acct. #1173- Gonzalez, CR 2180.	7619	0.00	110.00
04/03/24	Customer service inspection at acct. #1370-Olivarez, CR 1040.	7620	75.00	75.00
04/07/24	Weekend residual checks on rural system and read meters.	7621	0.00	175.00
04/14/24	Weekend residual checks on rural system and read meters.	7622	0.00	192.50
04/13/24	After hours work locating line in preparation for water line extension at acct. #1368-Cooper Extension on CR 2215.	7623	0.00	422.03
04/12/24	Meter removal due to non-payment at acct. #115-Martinez, Chavez Rd.	7624	60.00	60.00
04/12/24	Meter removal due to non-payment at acct. #1172-Flores, CR 2195.	7625	60.00	60.00
04/12/24	Regular hour unlock at acct. #483-De La Rosa, CR 2160.	7626	60.00	60.00
04/12/24	Regular hour work cleaning valves located on CR 2160 and FM 772.	7627	0.00	240.00
04/09/24	RWSC Board Meeting.	7628	0.00	120.45
04/17/24	Repaired broken flush valve at acct. #515-May, CR 2150. Dug up by hand, replaced ball valve and box.	7629	0.00	210.00

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John Marez, Administrator

DATE	DESCRIPTION	W.O. #	Invoiced to others	Due to STWA
04/21/24	Weekend residual checks on rural system and read meters.	7630	0.00	157.50
04/19/24	After hours work on lead service line inventory.	7631	0.00	56.94
04/25/24	After hours work on lead service line inventory.	7632	0.00	142.35
04/25/24	Meter change-out due to customer's request to downsize to a 5/8" meter. Crew had not been informed of the request prior to initial meter installation at acct. #1366-Bennett, CR 1055.	7633	0.00	0.00
04/25/24	After hour unlocks at acct. #599-Rodriguez, #1224-Hanson, & #606-Soliz.	7634	0.00	270.00
04/28/24	Weekend residual checks on rural system and read meters.	7635	0.00	157.50
04/27/24	After hours work at acct. #1368-Cooper's extension on CR 2215.	7636	0.00	497.26
04/29/24	After hours work on lead service line inventory.	7637	0.00	266.80
04/30/24	Valve repair at CR 1070 and CR 2170.	7638	0.00	1,463.75
04/30/24	After hours work at acct. #1368-Cooper's extension on CR 2215.	7639	0.00	125.71
04/30/24	April 2024 Regular hour unlocks-#1140-Davila, #845-Alegria, #934-Alanis, #958-Bryant, #92-Olivarez, #1027-Cantu, #310-Betancourt, #911-De La Paz, #1281-Ross, #921-Gomez, #243-Cumberland, #504-Chavez, #719-Bautista, #165-Cumberland, #1272-Vasquez, #675-De La Paz, #634-Perez.	7640	1020.00	1,020.00

Total Due STWA \$ 6,052.79
 Amount Invoiced to Others \$ 1,275.00

Payment due by May 29, 2024
 Thank You

Invoice

S24-079

May 30, 2024

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

Description	Amount Due
Reimburse for payroll expenses incurred with Stand By Pay for the period of January 4, 2024 through March 27, 2024 (See Attached Breakdown)	\$333.60

Payment Due by June 15, 2024

Date	Employee	Amount	Retirement	Medicare	Total	1/3 Share
1/10/2024	Daniel Hinojosa	\$75.00	\$9.00	\$1.09	\$85.09	\$28.36
1/17/2024	Noe Moreno	\$75.00	\$9.00	\$1.09	\$85.09	\$28.36
1/24/2024	Lauro Bazan	\$75.00	\$5.63	\$1.09	\$81.71	\$27.24
1/31/2024	David Elizondo	\$75.00	\$5.63	\$1.09	\$81.71	\$27.24
2/7/2024	Daniel Hinojosa	\$75.00	\$9.00	\$1.09	\$85.09	\$28.36
2/14/2024	Noe Moreno	\$75.00	\$9.00	\$1.09	\$85.09	\$28.36
2/21/2024	Lauro Bazan	\$75.00	\$5.63	\$1.09	\$81.71	\$27.24
2/28/2024	David Elizondo	\$75.00	\$5.63	\$1.09	\$81.71	\$27.24
3/6/2024	Daniel Hinojosa	\$75.00	\$9.00	\$1.09	\$85.09	\$28.36
3/13/2024	Noe Moreno	\$75.00	\$9.00	\$1.09	\$85.09	\$28.36
3/20/2024	Lauro Bazan	\$75.00	\$5.63	\$1.09	\$81.71	\$27.24
3/27/2024	David Elizondo	\$75.00	\$5.63	\$1.09	\$81.71	\$27.24
		\$900.00	\$87.75	\$13.05	\$1,000.80	\$333.60



South Texas Water Authority

2302 E. Sage Road
Kingsville, TX 78363
361-592-9323 | 361-592-5965

Invoice

April 30, 2024

Bill To

Ricardo Water Supply Corporation
2302 E. Sage Rd.
Kingsville, TX 78363
361 592-3952

For

Reimbursement Invoice
524-091

Item Description	Amount
FilePro - Shred 3 boxes	\$15.75
Mercer Controls - Senior Tech Labor, PS#1	\$1,797.25
Taylor Sudden Services - PS#1 Generator	\$2,703.00
Vermeer - Hydrovac Rental	\$430.00

Subtotal

\$4,946.00

Tax Rate

Other Costs

Total Cost

\$4,946.00

Make all checks payable to South Texas Water Authority

If you have any questions concerning this invoice, use the following contact information:

Contact Noemi S. Flores, 361 592-3952 or nflores@stwa.org

Thank you for your business!

RICARDO WATER SUPPLY CORPORATION
WATER LOSS COMPUTATION

October 10, 2023 through November 7, 2023

				Loss	
	11 Pump #1	22 Pump #2	33 Pump #3	Pump Station Totals	Kingsville & FM 772 Totals
+ STWA Mtr. Rdg. Totals	4,022,000	4,094,000	0	8,116,000	8,322,000
RWSC Billing Register	3,228,080	2,377,300	434,940	6,040,320	6,040,320
+/- Adjustments					
+ Haulers-unbilled	0			0	0
+Overflows/Draining				0	0
+Leaks	0	115,000		115,000	115,000
+Leaks on 14" line				0	0
+Fire Dept Use	4,000			4,000	4,000
+Unmetered Flushing	0	0	0	0	0
+Flushing	136,800	23,180	48,940	208,920	208,920
- = Accounted water	3,368,880	2,515,480	483,880	6,368,240	6,368,240
= = Water loss	653,120	1,578,520	(483,880)	1,747,760	1,953,760
% Water loss/gain	16.24%	38.56%	#DIV/0!	21.53%	23.48%

Register Routes:

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

*The following leaks were repaired during this period.

10/27/23 - 10" Water main break on CR 2170 - PS #2 approximately 115,000 gallons

Note: PS#3 is down and is being serviced by PS#1

RICARDO WATER SUPPLY CORPORATION
WATER LOSS COMPUTATION

November 7, 2023 through December 7, 2023

				Loss	
	11	22	33	Pump Station Totals	Kingsville & FM 772 Totals
	Pump #1	Pump #2	Pump #3		
+ STWA Mtr. Rdg. Totals	4,677,000	4,111,000	1,000	8,789,000	8,833,000
RWSC Billing Register	2,853,570	1,987,270	310,220	5,151,060	5,151,060
+/- Adjustments					
+ Haulers-unbilled	0			0	0
+Overflows/Draining				0	0
+Leaks	0	0		0	0
+Leaks on 14" line				0	0
+Fire Dept Use	200			200	200
+Unmetered Flushing	0	0	0	0	0
+Flushing	950,280	187,210	15,630	1,153,120	1,153,120
- = Accounted water	3,804,050	2,174,480	325,850	6,304,380	6,304,380
= = Water loss	872,950	1,936,520	(324,850)	2,484,620	2,528,620
% Water loss/gain	18.66%	47.11%	-32485.00%	28.27%	28.63%

Register Routes:

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

*The following leaks were repaired during this period.

- Leak repair CR 2160 West of CR 1020, PS#1
- GST Leak, PS #1

Note: PS#3 is down and is being serviced by PS#1

5/6/24

RICARDO WATER SUPPLY CORPORATION
WATER LOSS COMPUTATION

December 7, 2023 through January 8, 2024

				Loss	
	11 Pump #1	22 Pump #2	33 Pump #3	Pump Station Totals	Kingsville & FM 772 Totals
+ STWA Mtr. Rdg. Totals	6,968,000	3,289,000	0	10,257,000	10,400,000
RWSC Billing Register	2,900,820	2,001,280	356,480	5,258,580	5,258,580
+/- Adjustments					
+ Haulers-unbilled	0			0	0
+Overflows/Draining				0	0
+Leaks	63,000	0		63,000	63,000
+Leaks on 14" line				0	0
+Fire Dept Use	2,000			2,000	2,000
+Unmetered Flushing	0	0	0	0	0
+Flushing	471,140	87,350	0	558,490	558,490
= Accounted water	3,436,960	2,088,630	356,480	5,882,070	5,882,070
= Water loss	3,531,040	1,200,370	(356,480)	4,374,930	4,517,930
% Water loss/gain	50.68%	36.50%	#DIV/0!	42.65%	43.44%

Register Routes:

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

*The following leaks were repaired during this period.

GST Leak, PS #1 - 63,000 gallons

Note: PS#3 is down and is being serviced by PS#1

RICARDO WATER SUPPLY CORPORATION
WATER LOSS COMPUTATION

January 8, 2024 through February 8, 2024

				Loss	
	11 Pump #1	22 Pump #2	33 Pump #3	Pump Station Totals	Kingsville & FM 772 Totals
+ STWA Mtr. Rdg. Totals	5,227,000	3,398,000	0	8,625,000	8,753,000
RWSC Billing Register	3,234,570	2,301,220	554,780	6,090,570	6,090,570
+/- Adjustments					
+ Haulers-unbilled	10,411			10,411	10,411
+Overflows/Draining	1,361,389	500,000		1,861,389	1,861,389
+Leaks	0	0		0	0
+Leaks on 14" line				0	0
+Fire Dept Use	200			200	200
+Unmetered Flushing	0	0	0	0	0
+Flushing	659,930	31,900	0	691,830	691,830
- = Accounted water	5,266,500	2,833,120	554,780	8,654,400	8,654,400
= = Water loss	(39,500)	564,880	(554,780)	(29,400)	98,600
% Water loss/gain	-0.76%	16.62%	#DIV/0!	-0.34%	1.13%

Register Routes:

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

*The following leaks were repaired during this period.

- 01/15/24 - GST Leak 1,361,389 gallons - PS#1
- 02/02/24 PS#2 GST Overflow - approximately 500,000 gallons

Note: PS#3 is down and is being serviced by PS#1

RICARDO WATER SUPPLY CORPORATION
WATER LOSS COMPUTATION

February 8, 2024 through March 7, 2024

				Loss	
	11 Pump #1	22 Pump #2	33 Pump #3	Pump Station Totals	Kingsville & FM 772 Totals
+ STWA Mtr. Rdg. Totals	4,347,000	2,947,000	0	7,294,000	7,444,000
RWSC Billing Register	2,873,830	2,012,490	323,600	5,209,920	5,209,920
+/- Adjustments					
+ Haulers-unbilled	28,426			28,426	28,426
+Overflows/Draining				0	0
+Leaks		0		0	0
+Leaks on 14" line				0	0
+Fire Dept Use	6,600			6,600	6,600
+Unmetered Flushing	0	0	0	0	0
+Flushing	1,250,340	644,460	43,410	1,938,210	1,938,210
= Accounted water	4,159,196	2,656,950	367,010	7,183,156	7,183,156
= Water loss	187,804	290,050	(367,010)	110,844	260,844
% Water loss/gain	4.32%	9.84%	#DIV/0!	1.52%	3.50%

Register Routes:

11 - Pump #1

22 - Pump #2

33 - Pump #3

*The following leaks were repaired during this period.

None

Note: PS#3 is down and is being serviced by PS#1

RICARDO WATER SUPPLY CORPORATION
WATER LOSS COMPUTATION

March 7, 2024 - April 8, 2024

				Loss	
	11	22	33	Pump Station Totals	Kingsville & FM 772 Totals
	Pump #1	Pump #2	Pump #3		
+ STWA Mtr. Rdg. Totals	5,773,000	4,412,000	21,000	10,206,000	10,385,000
RWSC Billing Register	3,925,470	2,892,840	460,540	7,278,850	7,278,850
+/- Adjustments					
+ Haulers-unbilled	8,263			8,263	8,263
+Overflows/Draining				0	0
+Leaks		0		0	0
+Leaks on 14" line				0	0
+Fire Dept Use	3,000			3,000	3,000
+Unmetered Flushing	0	0	0	0	0
+Flushing	631,860	1,790	275,380	909,030	909,030
- = Accounted water	4,568,593	2,894,630	735,920	8,199,143	8,199,143
= = Water loss	1,204,407	1,517,370	(714,920)	2,006,857	2,185,857
% Water loss/gain	20.86%	34.39%	-3404.38%	19.66%	21.05%

Register Routes:

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

*The following leaks were repaired during this period.

No leaks

Note: PS#3 is down and is being serviced by PS#1

ATTACHMENT 4

Water Conservation and Drought Contingency Plan

Memo

To: Ricardo Water Supply Corporation, Board of Directors
From: John Marez, General Manager
Date: June 14, 2024
Topic: RWSC Water Conservation and Drought Contingency Plan

Background:

The Ricardo Water Supply Corporation is required to update its Water Conservation and Drought Contingency Plan (WCP/DCP) every five years, in alignment with the revised plan from the City of Corpus Christi. Both the South Texas Water Authority (STWA) and the Water Supply Corporations (WSCs) adhere to these revisions. Changes typically occur when the City updates its monitoring and restriction levels. In 2018, both the STWA and the WSCs revised their plans to match the City's updates. The RWSC follows the City's four stages of drought contingency, which aids in monitoring the combined water system and informs consumers about applicable restrictions based on current water levels.

Analysis:

The corporation updates its WCP/DCP every five years typically in tandem with revisions made by the City of Corpus Christi (CCW) in order to closely match their plans for monitoring and restriction levels. The Corporation follows the city's four (4) stage drought contingency plan, which is crucial for monitoring the water system and informing consumers about restrictions based on water levels.

The provided update involves calculations/revisions covering the topics of water usage and prospective amounts to reduce consumptions.

Staff Recommendation:

Review the revised Water Conservation and Drought Contingency Plan.

Board Action:

Approve the Water Conservation and Drought Contingency Plan.

Summary:

The State mandates that an entity review its plan in five-year cycles. This revision will take effect immediately for our water customers and will remain valid until May 2029. In the event of changes to our water wholesale provider and/or water contract, a similar update will be presented for the board's approval.

By approving the WCP/DCP the South Texas Water Authority is able to complete the final financial requirement to qualify for Texas Water Development Funds, estimated to bring \$7.8 million in improvements to the entire water system, including the STWA, NWSC, and RWSC.

**RICARDO WATER SUPPLY CORPORATION
WATER CONSERVATION AND DROUGHT CONTINGENCY PLAN, 2024
Amended and Adopted _____, 2024**

PART I—WATER CONSERVATION PLAN

Introduction

The Ricardo Water Supply Corporation provides service to approximately 3,000 residents located in central Kleberg County. The Corporation was created in 1964. In the last fifty years, the rural system has gone through three (3) expansions. During that time, the distribution system has been extended by approximately 50 miles and the customer base has increased more than three-fold.

The Corporation supplies water for municipal, commercial and industrial use in the rural area south of Kingsville, Texas in the unincorporated community of Ricardo. Treated water is purchased on a wholesale basis from the South Texas Water Authority (STWA). STWA purchases its water from the City of Corpus Christi whose supply is from Lake Corpus Christi, Choke Canyon Reservoir System, Lake Texana and Lower Colorado River. Water from those sources is treated at the O.N. Stevens Water Treatment Plant before entering STWA’s Regional Transmission System.

The Corporation recently installed a 12” line extending from the north side of Kingsville which connects to the line previously owned by STWA which begins at the intersection of FM 772 and CR 1030. The Corporation accepted title to this transmission line which delivers a 100% surface water supply to the Corporation’s three (3) pump station facilities. The construction of the 12” waterline eliminated the previous “pass through” arrangement with the City of Kingsville. Although, should an emergency arise, the Corporation would be able to receive service from the City of Kingsville.

In addition, in past years the Corporation had maintained and operated a groundwater well, located on County Road 2170, that supplied between 15% and 20% of its needs. However, in 2008 this well was taken out of service for mechanical reasons. That groundwater well has now been plugged at the urging of the Texas Commission on Environmental Quality (TCEQ).

Surface supplies available to the Corporation by virtue of its contract with STWA and its contract with the City of Corpus Christi includes the following: Lake Corpus Christi stores ~~242,241~~ 256,339 acre-feet of water, Choke Canyon Reservoir stores ~~695,271~~ 662,821 acre-feet of water, and the 101-mile-long Mary Rhodes Pipeline delivers water through a 64-inch pipeline from Lake Texana near Edna, Texas. In 1993, the City of Corpus Christi entered into a contract with the Lavaca-Navidad River Authority to purchase 41,840 acre-feet of water per year. **The City is currently contracted to divert 31,440 acre-feet after the LNRA recalled 10,400 acre-feet.** Approximately 40 to 70 percent (40-70%) of the water ~~treat~~-used by the City of Corpus Christi is from Lake Texana **through the Mary Rhodes Pipeline**. In addition, in order to meet the demand

of a growing Coastal Bend Region, the City purchased senior water rights to 35,000 acre-feet of water per year from the Garwood Irrigation Company which is part of the Lower Colorado River supply. Construction of Phase 2 of the Mary Rhodes Pipeline to access that water supply is now complete.

According to the City of Corpus Christi's Water Conservation Plan, the City diverts raw water from the Nueces River and Lake Texana into the O.N. Stevens Water Treatment Plant where it passes through screens to remove large floating objects such as leaves, branches, and fish. From there, the water is treated to remove suspended particles and disinfected for human consumption. **Approximately 23 billion gallons of water are treated each year.** The O.N. Stevens Water Treatment Plant has a rated capacity of 167 million gallons per day, well above the peak summer demand of ~~110~~ **100** million gallons per day.

According to the City of Corpus Christi's Water Conservation Plan and annual Consumer Confidence Reports, the City's Water Department operates in full compliance with all state and federal requirements. The City's Water Department also maintains a water laboratory.

The service area of the Ricardo Water Supply Corporation is located within the Region N Planning area and the Corporation has provided a copy of this water conservation plan to the Region N Planning Group. The Corporation stays apprised of water conservation and supply issues through the **General Manager's participation in the Coastal Bend Regional Water Planning Group. following measures:**

- ~~1. The General Manager serves as the co-chair of the Coastal Bend Regional Water Planning Group; and~~
- ~~2. The General Manager is a member of the Nueces Estuary Advisory Council as well as the Nueces Basin and Bay Area Stakeholder Committee.~~

Demand Profile

The Ricardo Water Supply Corporation serves retail customers. The Corporation has approximately ~~990~~ **1110** service connections. The Corporation's 5-Year average water demand by the Ricardo Water Supply Corporation customers was ~~105,465,200~~ **114,982,200** gallons. The monthly peak demand between ~~2012 and 2016~~ **2019 and 2023** was ~~13,831,000~~ **14,484,000**. The largest percentage of water use is from single-family residential usage. However, in ~~2016~~ **2023**, out of the ~~978~~ **1110** customers there were ~~3~~ **5** multi-unit customers, ~~9~~ **10** institutional customers, 16 commercial customers and 2 industrial customers that accounted for ~~0.95 MG, 2.1 MG, 1.6 MG, and 0.18 MG~~ **0.35 MG, 3.3 MG, 1.8 MG and 0.14 MG** of water use respectively.

Five-year and Ten-year targets

The Ricardo Water Supply Corporation water conservation plan is focused on maintaining the current per capita per day usage. The current 5-year (2019 – 2023) average per capita per day usage is ~~103-99~~ gallons; however, during the past five years, the highest per capita daily usage was ~~118~~ **108** in 2012-2019. The Board believes that the current amount is well below the previously recommended statewide level of 140 gpcd and the customers (members) of the Corporation are making a concerted effort to use water in an efficient and non-wasteful manner.

This is evident from the per capita usage figure in 2016 2023 of 92 103 gallons. *The 5 –year and 10-year targets are to maintain an average decrease total per capita per day usage of 95 gallons by one percent each year.*

The Corporation monitors unaccounted-for water. Table 1 provides figures on the amounts of water purchased and accounted-for as well as the unaccounted-for gallons for the last five years.

Fiscal Year	Gallons Purchased	Gallons Sold	Gallons Flushed	Unaccounted-for Gallons	Percentage of Loss
2012	115,388,000	98,842,030	1,693,040	14,852,930	12.9%
2013	107,806,000	91,450,450	2,584,180	13,771,370	12.8%
2014	103,810,000	83,733,910	2,071,020	18,005,070	17.3%
2015	100,545,000	71,493,910	5,888,338	23,162,752	23.0%
2016	100,175,000	76,334,670	6,089,630	17,750,700	17.7%
AVG for 2012-2016	105,544,800	84,370,994	3,665,242	17,508,564	16.6%

Fiscal Year	Gallons Purchased	Gallons Sold	Gallons Flushed	Unaccounted-for Gallons	Percentage of Loss
2019	118,201,000	78,243,500	14,191,792	25,655,908	21.71%
2020	111,626,000	89,865,460	6,504,837	15,128,703	13.55%
2021	102,522,000	86,049,260	6,123,025	10,322,498	10.07%
2022	117,412,742	90,388,580	9,679,925	17,319,365	14.75%
2023	122,775,000	95,307,780	6,012,990	21,453,081	17.47%
AVG for 2019-2023	114,507,348	87,970,916	8,502,514	17,975,911	15.51%

Leak Detection and Repair:

In addition to the monthly water loss report and daily metering, field personnel periodically “drive-out” the routes of the lines. Major portions of the Corporation’s waterlines are located in rural farmlands; therefore, leaks that are not detected by employees are reported by landowners or tenant farmers. Changes in flow volumes from the daily readings also warn field technicians to a possible leak. Master meters (wholesale) are tested annually by an outside company specializing in testing larger meters. In compliance with AWWA recommendations, for deviations from 100% that are greater than 2% (over or under), the meter is re-calibrated. Meters are also tested and if necessary repaired or replaced prior to the annual test date in the event the meter is exhibiting a malfunction.

Reservoir Systems Operations Plan:

The Ricardo Water Supply Corporation does not own or operate any reservoir systems. The City of Corpus Christi is the responsible entity overseeing those tasks since the Corporation purchases water from STWA and STWA purchases water from the City of Corpus Christi.

Conservation Strategies:

- (A) Conservation-Oriented Water Rates—the Corporation utilizes an inclining block rate schedule.
- (B) The Corporation does not sell water to any customers for irrigation purposes; therefore, the Corporation does not have any programs to assist agricultural customers in the development of conservation pollution prevention and abatement plans.
- (C) The Corporation does not provide wastewater service; therefore, it does not have any programs for reuse and/or recycling of wastewater and/or graywater.

Future Contracts:

The Ricardo Water Supply Corporation recognizes that a requirement in every future water supply contract entered into or renewed after official adoption of the water conservation plan, and including any contract extension, stipulates that each successive wholesale customer develop and implement a water conservation plan. If the customer intends to resell the water, then the contract between the initial supplier and customer must provide that the contract for the resale of the water must have water conservation requirements so that each successive customer in the resale of the water will be required to implement water conservation measures.

Implementation and Enforcement:

Attached, as Appendix A, is a copy of the resolution adopted by the Ricardo Water Supply Corporation of Directors adopting the Water Conservation and Drought Contingency Plan.

Coordination with the Regional Water Planning Group:

Attached as Appendix B is a copy of the cover letter sent to the Nueces River Authority, administrator of the Coastal Bend Regional Water Planning Group.

Review and Update:

Beginning May 1, 2009, the Ricardo Water Supply Corporation reviewed and updated its Water Conservation and Drought Contingency Plan. Periodic updates will occur, as appropriate, based on an assessment of previous five-year and ten-year targets and any other new or updated information. Therefore, the next review ~~was~~ is scheduled to occur no later than May 1, ~~2014~~ 2029, and every five years after that date. ~~However, in light of the City of Corpus Christi's updating of its Plans, the continued drought conditions, and decreasing levels of the Lake Corpus Christi and Choke Canyon Reservoirs, the Plan was updated approximately one year in advance in 2013. The next scheduled review was scheduled to occur in 2018. Once again, however, in response to the City of Corpus Christi modifying its Drought Contingency Plan, the Corporation is reviewing and updating its Plan.~~

Best Management Practices

In recent years, the Corporation has reinforced conservation measures by sending conservation

brochures and reminders. In addition, student-age children serviced by the Corporation benefit from the Major Rivers program provided by the STWA, the Corporation's wholesale provider and contracted management team. The Corporation has and will continue to utilize Best Management Practices (BMPs) to insure that water is not wasted. Six (6) BMPs have been implemented as part of the Corporation's ongoing water conservation efforts.

1. System Water Audit and Water Loss

A. Description

All water is metered as it leaves the Corporation's three (3) pump stations. Water is metered for all retail customers. Wholesale meter readings and flow volumes are recorded by field employees. A water loss report is calculated shortly after the monthly meter reading date on or about the 20th of the month. The unaccounted-for water is tracked by comparing wholesale water and entering the distribution system to the retail billing records and accounting for water used for flushing and construction and estimated amounts due to leaks. In ~~2016~~ 2023, the annual loss was ~~17.7~~ 17.47%. In the past five (5) years, the average water loss was ~~16.6~~ 15.51%.

B. Implementation

Staff is already performing these tasks in a systematic and periodic process. Each month meter readers and billing staff work together to identify meters that are not working properly or are nearing "rollover". A Service Order is written in triplicate. As time allows, the meters are replaced at which time a Work Order (also in triplicate) is done listing the new meter number and pertinent billing information. These Work Orders are used by STWA (the Corporation's contracted management) to generate the Corporation's monthly Repair Invoice. In addition, a list of these "change-outs" is presented to the Board periodically.

C. Schedule

The meter retrofit program is already implemented and will continue to be utilized.

D. Documentation

To track this BMP, the Corporation maintains the following documentation:

1. Each customer's (member) file contains a copy of the service order that initiates the process.
2. Service orders are filed in numerical order.
3. A copy of the Service Order is attached to the Work Order once the meter is "changed out".
4. Work Orders are filed with the Monthly Invoice.
5. Work Order copies are also filed in numerical order.
6. A copy of the Work Order is placed in the customer's (member) file.

E. Determination of Water Savings

Monthly water loss reports are compared to the number of meters that have been changed out for the month and those service orders yet to be completed.

2. Metering of All Connections

A. Description

The purpose of this BMP is to ensure that all water is accounted.

B. Implementation

The Corporation utilizes a 100% meter policy to insure that the maximum amount of consumption is recorded. The Corporation, as stated in the previous section, will continue its meter retrofit program and has for many years enlisted the practice recommended by the AWWA of notifying customers when it appears a leak exists on the customer's side of the meter.

The meter program includes the following:

1. Required metering of all connections.
2. An application for service that requires the customer (member) to provide the necessary information to determine the installation of adequate, proper-sized meters as determined by a customer's current water use patterns.
3. Direct utility metering of multi-unit/non-wholesale accounts.
4. Metering of all governmental facility service connections.
5. Use of construction meters.
6. Implementation of the State requirements in HB 2404, passed by the 77th Legislature Regular Session and implemented through Texas Water Code 13.502, which requires all new apartments be either directly metered by the utility or submetered by the owner.
7. Regular replacement of meters.
8. Meter reading in which readings are estimated only in cases of flooded conditions.

C. Schedule

The Corporation has already implemented this BMP, and will continue to utilize this BMP.

D. Documentation

The Corporation maintains records of the customer's (member) application and all service requests for construction. Information on all services is summarized in an Annual Report to the Board.

E. Determination of Water Savings

The Corporation reviews overall water loss and the dollars associated with unaccounted-for water during its annual fiscal audit performed by an outside consultant.

3. Water Conservation Pricing

A. Description

The monthly minimum is \$~~38.00~~ 42.00 for zero gallons on the smallest residential size meter ($\frac{5}{8}$ " x $\frac{3}{4}$ "). The overall cost of service acts as a conservation incentive. In addition, the Corporation's inclining block schedule is meant to encourage conservation. A copy of the current rate structure is attached as Appendix C. The basic rate structure is designed to recover the cost of providing service and billing for water service. The rates include a consumption charge based upon actual gallons metered so that increasing water consumption results in a larger bill for the customer. Conservation pricing provides incentives to customers to reduce both average and peak use.

B. Implementation

The Corporation is of the opinion that current rates are, in fact, cost of service rates. However, periodically, staff conducts a rate study to determine whether the fixed and variable costs are appropriately allocated between the monthly minimum and per thousand gallon charges. The information is presented to the Board of Directors. The Board then considers factors including but not limited to infrastructure needs, current construction projects, projected cost of water from STWA/City of Corpus Christi and current Reserve Fund balance.

C. Schedule

The Corporation will perform evaluations as the need warrants.

D. Documentation

To track this BMP, the Corporation maintains the following documentation:

1. A copy of its adopted rate tariff that follows the guidelines of this BMP;
2. Billing and customer records that include annual revenues by customer class and revenue derived from minimums and usage by customer class for the reporting period;
3. Monthly customer numbers and water consumption by customer class; and
4. Cost of service analyses done by staff through the years.

E. Determination of Water Savings

~~According to the City of Corpus Christi's Water Conservation Plan, elasticity studies have shown an average reduction in water use of 1 to 3 percent for every 10 percent increase in the average monthly water bill. A comparison of the City's rates to the Corporation's can be done based on a usage of 8,000 gallons. The City's cost is \$50.38. The cost for the same size meter and consumption for a Corporation customer would be \$67.60. Comparing the Corporation's 2016 gpcd of 92 to that of Corpus Christi's 2012 gpcd of 205 would indicate that there are other factors involved in addition to the rates and the City's usage related to industrial customers. In the last ~~20~~ 30 years of the Corporation's operations, a majority of upgrades and improvements to the original lines have been associated with providing service to residents living in colonias. Therefore, it is probable that there are socio-economic factors as well as more limited types of uses in a rural environment versus that of a large, incorporated city. Staff believes that the majority of rural usage is associated with indoor, basic needs (bathing, washing clothes, cooking, flushing toilets) versus that of outdoor watering.~~

4. Prohibition on Wasting Water

A. Description

Enforceable actions by a non-profit water supply corporation against a party that is wasting water is now possible by adoption of penalties as part of the water supply corporation's rate tariff. This authority was recently granted by HB 1152. At this time, the Board of Directors is considering the necessary amendments to its tariff. However the Corporation encourages all its customers and members to avoid:

1. Wasting water during irrigation;
2. Allowing outside faucets to leak;
3. Allowing service lines to leak (on the customer side of the meter);
4. Allowing sprinkler systems to leak; and
5. Installing non-recycling decorative water fountains.

Wasting water during irrigation includes:

1. Water running along the road;
2. Irrigation heads or sprinklers spraying directly on paved surfaces such as driveways, parking lots, and sidewalks in public right-of-ways;
3. Operation of an irrigation system with misting heads caused by water pressure higher than recommended design pressure for the heads, or broken heads;
4. Spray irrigation during summer months between the hours of 10 a.m. and 6 p.m.

B. Implementation

This BMP is implemented through educational brochures and notices.

C. Schedule

The Corporation has used notices and brochures in the past and will continue to do so in the future.

D. Documentation

To track this BMP, the Corporation maintains the following documentation:

1. Copies of water waste prohibition brochures and notices sent to customers/members; and
2. Copies of notices sent as a requirement of drought notices triggered by the City of Corpus Christi.

E. Determination of Water Savings

It is difficult to quantify and determine the water savings from this BMP due to the sporadic nature of these types of activities. However, pertinent notices and future actions taken by the Corporation will be documented by written correspondence to customers/members and filed for record. Any noticeable changes in consumption will also be of record.

5. And 6. Public Information and School Education

A. Description

The Corporation uses a limited number of media resources to notify customers on the importance of water conservation. This is due to the size and resources of the Corporation as well as the low gpcd. The Corporation recognizes the importance of public awareness and regional water resources.

B. Implementation

The Corporation, being a small rural system, is limited in the amount of funds that can be expended in public education and outreach. This factor coupled with the most recent per capita per day gallon usage of ~~92~~ 103 which is well below the state recommended goal of 140 gpcd serves to reinforce the modest size of the “media” campaign.

1. Printed Brochures—from time to time the Corporation has utilized printed brochures for topics such as Xeriscape, proper outdoor watering, and inside the home water savings tips.
2. School Education—through its purchase of water from STWA, the Corporation supports the Major Rivers Program which was initiated in 1991 and revised for the 2003-2004 school year. Major Rivers is geared for 4th and 5th grade curriculum. In addition to general information on water resources in the State of Texas, the program focuses on conservation, supply, treatment, and distribution. The self-contained program offers academic and hands-on activities in math, language arts, science, and social studies, with teacher’s guide geared to the interdisciplinary curriculum, as well as an introductory video and home information leaflets. The program includes pre- and post-test evaluations.

STWA, wholesale supplier of the Corporation and provider of the Major Rivers program, maintains the following documentation:

1. Number of schools provided the information;
2. Copies of program marketing and educational materials; and
3. Annual budget for school education programs related to conservation.

C. Schedule

The Corporation has used and will continue to use these methods to educate and reach customers regarding the importance of water conservation and wise use of water.

D. Documentation

To track the progress of this BMP, the Corporation maintains records and copies of all brochures and educational information sent to customers:

E. Determination of Water Savings

Water savings associated public information efforts are difficult to quantify. However, the Corporation believes that education is instrumental in efficient use of water.

PART II—DROUGHT CONTINGENCY PLAN

The following Part II of the Water Conservation and Drought Contingency Plan is Ricardo Water Supply Corporation's Drought Contingency Plan adopted by Board resolution on ~~June 17, 2024~~.

Section I: Declaration of Policy, Purpose, and Intent

In order to conserve the available water supply and protect the integrity of water supply facilities, with particular regard for domestic water use and sanitation, and to protect and preserve public health, welfare, and safety and minimize the adverse impacts of water supply shortage or other water supply emergency conditions, the Ricardo Water Supply Corporation hereby adopts the following regulations and restrictions on the delivery and consumption of water.

The Ricardo Water Supply Corporation will include a provision in every wholesale water contract entered into or renewed after adoption of the Plan, including contract extensions, that in the case of a shortage of water resulting from drought, the water to be distributed shall be divided in accordance with Texas Water Code, §11.039. In addition, in the event that the triggering criteria specified in the Plan have been met, the General Manager is hereby authorized to initiate allocation of water supplies on a pro rata basis in accordance with Texas Water Code, §11.039.

Water uses regulated or prohibited under this Drought Contingency Plan (the Plan) are considered to be non-essential and continuation of such uses during times of water shortage or other emergency water supply condition are deemed to constitute a waste of water which subjects the offender(s) to penalties as defined in Section XI of this Plan.

Section II: Public Involvement

Opportunity for the public to provide input into the preparation of the Plan was provided by the Ricardo Water Supply Corporation by means of a public meeting held in compliance with the Open Meetings Act.

Section III: Public Education

The Ricardo Water Supply Corporation will periodically provide the public with information about the Plan, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage. This information will be provided by means of utility bill inserts.

Section IV: Coordination with Regional Water Planning Groups

The service area of the Ricardo Water Supply Corporation is located within the Coastal Bend Regional Water Planning Group (Region N) and Ricardo Water Supply Corporation will provide a copy of this Plan to the Coastal Bend Regional Water Planning Group.

Section V: Authorization

The General Manager, or his/her designee, is hereby authorized and directed to implement the applicable provisions of this Plan upon determination that such implementation is necessary to protect

public health, safety, and welfare. The Board of Directors shall have the authority to initiate or terminate drought or other water supply emergency response measures as described in this Plan.

Section VI: Application

The provisions of this Plan shall apply to all persons, customers, and property utilizing water provided by the Ricardo Water Supply Corporation. The terms “person” and “customer” as used in the Plan include individuals, corporations, partnerships, associations, and all other legal entities.

Section VII: Definitions

For the purposes of this Plan, the following definitions shall apply:

Aesthetic water use: water use for ornamental or decorative purposes such as fountains, reflecting pools, and water gardens.

Animal Unit (AU) – An Animal Unit is equal to one (1) beef cow. The following livestock are equivalent based on the following multiplication factors:

Slaughter and feed cattle	1.0
Mature dairy cattle	1.42
Swine	0.40
Sheep or lambs	0.10
Goats	0.10
Horses	2.0
Turkeys	0.0182
Hens/broilers	0.0154

Commercial and institutional water use: water use which is integral to the operations of commercial and non-profit establishments and governmental entities such as retail establishments, hotels and motels, restaurants, and office buildings.

Conservation: those practices, techniques, and technologies that reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water or increase the recycling and reuse of water so that a supply is conserved and made available for future or alternative uses.

Customer: any person, company, or organization using water supplied by Ricardo Water Supply Corporation.

Domestic water use: water use for personal needs or for household or sanitary purposes such as drinking, bathing, heating, cooking, sanitation, or for cleaning a residence, business, industry, or institution.

Even number address: street addresses, box numbers, or rural postal route numbers ending in 0, 2, 4, 6, or 8 and locations without addresses.

Industrial water use: the use of water in processes designed to convert materials of lower value into forms having greater usability and value.

Institutional water use: the use of water in processes designed to convert materials of lower value into forms having greater usability and use.

Landscape irrigation use: water used for the irrigation and maintenance of landscaped areas, whether publicly or privately owned, including residential and commercial lawns, gardens, golf courses, parks, and rights-of-way and medians.

Non-essential water use: water uses that are not essential nor required for the protection of public health, safety, and welfare, including:

- (a) irrigation of landscape areas, including parks, athletic fields, and golf courses, except otherwise provided under this Plan;
- (b) use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle;
- (c) use of water to wash down any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
- (d) use of water to wash down buildings or structures for purposes other than immediate fire protection;
- (e) flushing gutters or permitting water to run or accumulate in any gutter or street;
- (f) use of water to fill, refill, or add to any indoor or outdoor swimming pools or jacuzzi-type pools;
- (g) use of water in a fountain or pond for aesthetic or scenic purposes except where necessary to support aquatic life;
- (h) failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s); and
- (i) use of water from hydrants for construction purposes or any other purposes other than fire fighting.

Odd numbered address: street addresses, box numbers, or rural postal route numbers ending in 1, 3, 5, 7, or 9.

Reservoir Capacity: the combined reservoir storage levels of Choke Canyon Reservoir and Lake Corpus Christi, as measured in percentage of the full combined volume.

Section VIII: Triggering Criteria for Initiation and Termination of Drought Response Stages

The Board of Directors shall monitor water supply and/or demand conditions as conditions develop and shall determine when conditions warrant initiation or termination of each stage of the Plan. Public notification of the initiation or termination of drought response stages shall be by means of direct mail to each customer.

~~The table below is based on limits as adopted by the Corpus Christi City Council.~~

Drought Stage	CCR/LCC Combined	Target Demand
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Response	Reservoir Storage Level	Reduction Levels
Stage 1—Mild	<40% of CCR/LCC Combined Level	10%
Stage 2—Severe	<30% of CCR/LCC Combined Level	15%
Stage 3—Critical	<20% of CCR/LCC Combined Level	30%
Stage 4—Emergency	Not Applicable	50%

i. Stage 1 – Mild Water Shortage Condition

Requirements for initiation – Customers shall be requested to voluntarily conserve water and adhere to prescribed restrictions on certain non-essential water uses described in Section X when the combined storage level of Choke Canyon Reservoir and Lake Corpus Christi declines below 40%.

Requirement for termination – Stage 1 of the DCP may be rescinded when the combined storage level of Choke Canyon Reservoir and Lake Corpus Christi increases above 50 percent.

ii. Stage 2 – Moderate Water Shortage Condition

Requirements for initiation – Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses for Stage 2 of this DCP described in Section X when the combined Corpus Christi/Choke Canyon Reservoir storage level declines to below 30 percent.

Requirement for termination – Stage 2 of the DCP may be rescinded when the combined Corpus Christi/Choke Canyon Reservoir storage level increases above 40 percent for a period of 15 consecutive days. Upon termination of Stage 2, Stage 1 becomes operative.

iii. Stage 3 – Critical Water Shortage Condition

Requirements for initiation – Customers shall be required to comply with the requirements and restrictions on certain non-essential water uses for Stage 3 of this DCP when the combined Lake Corpus Christi/Choke Canyon Reservoir storage level declines to below 20 percent.

Requirement for termination – Stage 3 of the DCP may be rescinded when the combined Lake Corpus Christi/Choke Canyon Reservoir storage level increases above 30 percent for a period of 15 consecutive days. Upon termination of Stage 3, Stage 2 becomes operative.

iv. Stage 4 – Emergency Water Shortage Condition

Requirements for initiation – Customers shall be required to comply with requirements and restrictions for Stage 4 of this DCP when the General Manager, or designee, determines that a water supply emergency exists based on:

- A major water line breaks, or pump or system failures occur, which causes unprecedented loss of capability to provide water service; or
- Water production or distribution system limitations; or
- Natural or man-made contamination of the water supply source occurs.

Requirement for termination – The emergency water shortage condition may be rescinded when the General Manager, or designee, deems appropriate.

Section IX: Drought Response Stages

The General Manager, or designee, shall monitor water supply and/or demand conditions on a weekly basis and, in accordance with the triggering criteria set forth in Section VIII of this Chapter, shall determine that a mild, moderate, ~~severe~~, critical, or emergency water shortage condition exists and shall implement the following notification procedures.

Notification of Corporation Customers and Members:

The General Manager, or designee, shall notify its customers for every change in drought stage status by any or all of the following:

- Publication in ~~the Corpus Christi Caller Times~~ local periodicals
- Notice on the monthly billing
- Public Service Announcements
- Signs posted in public places
- Posting on the Corporation’s website, www.ricardowsc.com

Additional Notification:

The General Manager, or designee shall, at a minimum, notify directly, or cause to be notified directly, the following individuals and entities for every change in drought stage status:

- The Corporation Board of Directors
- Major water users (such as industries)
- Critical water users
- Texas Commission on Environmental Quality (TCEQ) – note TCEQ executive director MUST be informed within five (5) business days of mandatory water use restrictions being imposed

X. Drought Best Management Practices Per Stage

A summary of water use reduction targets for each drought stage response is presented in the following table. Further discussion on best management practices and implementation practices associated with each stage of response is included below. During Stages 2 and 3, requests for exceptions may be presented to the General Manager or designee.

Drought Stage Response	CCR/LCC Combined Reservoir Storage Level	Target Demand Reduction Levels
Stage 1– Mild	<40% of CCR/LCC Combined Level	10%
Stage 2 – Severe	<30% of CCR/LCC Combined Level	15%
Stage 3 – Critical	<20% of CCR/LCC Combined Level	30%
Stage 4 – Emergency	Not Applicable	50%

10.1. Stage 1 Response – MILD Water Shortage Conditions

Target: Achieve a *voluntary* 10% reduction in daily treated water demand relative to treated water demand with the water use restrictions below.

Best Management Practices for Supply Management:

Under Stage 1, the Corporation will:

- Use more repair crews if necessary to allow for a quicker response time for water-line leak repair; and
- Begin monitoring customers' compliance with Stage 2 restrictions during the course of field personnel's daily rounds.

~~The Corporation will enact voluntary measures to reduce or discontinue the flushing of dead-end mains if practicable.~~

Water Use Restrictions for Demand Reduction

The following water use restrictions shall apply to all persons during Stage 1:

- (a) Water customers are requested to voluntarily limit the irrigation of landscaped areas to **once per week**. The General Manager, or designee, will determine the watering schedule.
- (b) Use of water from hydrants shall be limited to fire fighting, related activities, or other activities necessary to maintain public health, safety, and welfare, except that use of water from designated fire hydrants for construction purposes may be allowed under special permit from the Corporation Board of Directors.
- ~~(c) All operations of the Corporation shall adhere to water use restrictions prescribed for Stage 2 of the DCP.~~
- (d) Use of water for the irrigation of golf course greens, tees, and fairways is prohibited except on designated watering days. However, if the golf course utilizes a water source other than that provided through Corporation infrastructure, the facility shall not be subject to these regulations.
- (e) Water customers are requested to practice water conservation and to minimize or discontinue water use for non-essential purposes.
- (f) The use of water to maintain integrity of building foundations is limited to designated watering days and is only permitted by use of hand-held hose or drip irrigation.

10.2. Stage 2 Response – MODERATE Water Shortage Conditions

Target: During Stage 2, achieve a ~~15~~20% reduction in daily treated water demand relative to treated water demand with the water use restrictions below.

Best Management Practices for Supply Management:

In addition to the best management practices for supply management listed under Stage 1, the Corporation will also do the following during Stage 2:

- ~~● Use more repair crews if necessary to allow for a quicker response time for water-line leak repair; and~~
- ~~● Begin monitoring customers' compliance with Stage 2 restrictions during the course of field personnel's daily rounds.~~
- Eliminate the flushing of water mains unless required for decontamination and/or public safety; and
- Review customers' water usage for compliance based on the previous month's water use and notify violators verbally or in writing as the situation dictates.

Water Use Restrictions for Demand Reduction

Under threat of penalty for violation, the following water use restrictions shall apply to all persons during Stage 2:

- Irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems shall be limited to **once per every other week**. The watering schedule will be determined by the General Manager or designee. Customers will be made aware of their designated watering day in accordance with Section IX. However, irrigation of landscaped areas is permitted on any day if it is by means of a hand-held hose (with positive shutoff nozzle), a faucet filled bucket or watering can of five (5) gallons or less, or drip irrigation system with a positive shutoff device. Exceptions for this restriction may be permitted, upon review and approval by the Corporation Board of Directors, for the following uses: new plantings (for up to 60 days), vegetable gardens, athletic playing fields, and botanical gardens. In addition, this restriction does not apply to customers irrigating with well water or an aerobic septic system. Customers irrigating with well water or an aerobic septic system must apply for a permit to be prominently posted on the premises within two (2) feet of the street number located on the premises.
- ~~b) Use of water from hydrants shall be limited to fire fighting, related activities, or other activities necessary to maintain public health, safety, and welfare, except that use of water from designated fire hydrants for construction purposes may be allowed under special permit from the Corporation Board of Directors.~~
- e) Use of water for the irrigation of golf course greens, tees, and fairways is prohibited ~~except on designated watering days~~. The watering of greens and tees is limited to once every other week unless ~~However, if~~ the golf course utilizes a water source other than that provided through Corporation infrastructure ~~or done~~

~~by means of hand-held hoses, hand-held buckets, or drip irrigation. , the facility shall not be subject to these regulations.~~

- ~~d) The use of water to maintain integrity of building foundations is limited to designated watering days and is only permitted by use of hand-held hose or drip irrigation.~~

10.3. Stage 3 Response – CRITICAL Water Shortage Conditions

Target: During Stage 3, achieve a 30% reduction in total daily treated water demand relative to treated water demand with the water use restrictions below.

Best Management Practices for Supply Management:

In addition to the best management practices for supply management listed under Stage 2, the Corporation will also do the following during Stage 3:

- ~~• Eliminate the flushing of water mains unless required for decontamination and/or public safety; and~~
- ~~• Review customers' water usage for compliance based on the previous month's water use and notify violators verbally or in writing as the situation dictates.~~

~~Water Use Restrictions for Demand Reduction:~~

~~All requirements of Stage 2 shall remain in effect during Stage 3 except as modified below:~~

- ~~a) Irrigation of landscaped areas shall be limited to **once every other week**. The watering schedule will be determined by the General Manager or designee. Customers will be made aware of their designated watering day. However, irrigation of landscaped areas is permitted on any day if it is by means of a hand-held hose (with positive shutoff nozzle), a faucet filled bucket or watering can of five (5) gallons or less, or drip irrigation system with a positive shutoff device. Exceptions for this restriction may be permitted, upon review and approval by the General Manager or designee, for the following uses: new plantings (for up to 60 days), vegetable gardens, athletic playing fields, and botanical gardens. In addition, this restriction does not apply to customers irrigating with well water or an aerobic septic system. Customers irrigating with well water or an aerobic septic system shall still apply for a permit from the Corporation to be prominently posted on the premises within two (2) feet of the street number located on the premises.~~
- ~~b) The watering of golf course fairways with potable water is prohibited. The watering of greens and tees are limited to once every other week unless the golf course utilizes a water source other than that provided through Corporation~~

~~infrastructure or done by means of hand-held hoses, hand-held buckets, or drip irrigation.~~

~~Optional Measures:~~

~~During Stage 3, the following measures are optional water use restrictions that may be implemented by the General Manager, or designee, with Board approval, as conditions warrant:~~

- ~~a) The use of water for construction purposes from designated fire hydrants under special permit is to be discontinued.~~
- ~~b) For residential and multi-unit customers, a drought surcharge of up to and including 100% of the total monthly water bill over the monthly allocation may be added to the customers' bill to deter discretionary water use, as explained in Section XI.~~

~~In addition to the best management practices for supply management listed under Stage 3, the Corporation will also:~~

- Upon written notice, disconnect the water meters of willful violators if absolutely necessary to prevent the deliberate wasting of water.

Additional Water Use Restrictions and Guidelines for Demand Reduction that may be implemented based on City of Corpus Christi implementing stricter restrictions:

~~All requirements of Stage 2 and 3 shall remain in effect during Stage 4 except as modified below:~~

- a) Irrigation of landscaped areas shall be **prohibited at all times**.
- b) Use of water to wash any motor vehicle, motorbike, boat, trailer, or other vehicle not occurring on the premises of a commercial car wash stations and not in the immediate interest of public health, safety, and welfare is prohibited. Vehicle washing may be done at any time on the immediate premises of a commercial car wash. Further, such washing may be exempted from these regulations upon review by the General Manager if the health, safety, and welfare of the public are contingent upon frequent vehicle cleansing, such as garbage trucks and vehicles used to transport food and perishables. Washing of boats and/or flushing of boat motors is permitted upon immediate exit of water body.
- c) The filling, refilling, or adding of water to swimming pools, wading pools, and jacuzzi-type pools, and water parks (unless non-city, alternative source) is prohibited.
- d) The use of water to maintain the integrity of a building foundation is still permitted on the designated Stage 3 watering day and shall be done by hand or drip irrigation method.

- e) Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life.
- f) The following uses of water are defined as non-essential and are prohibited:
 - 1. Wash-down of any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
 - 2. Use of water to wash down buildings or structures for purposes other than immediate fire protection without permit granted by the General Manager or designee;
 - 3. Use of water for dust control without permit without permit granted by the General Manager or designee;
- g) No application for new, additional, expanded, or increased-in-size water service connections, meters, service lines, pipeline extensions, mains, or water service facilities of any kind shall be approved, and time limits for approval of such applications are hereby suspended for such time as this drought response stage shall be in effect.
- h) For residential and multi-unit customers, a drought surcharge of up to and including 100% of the total monthly water bill over the monthly allocation may be added to the customers' bill to deter discretionary water use, as explained in Section XI.

10.4. Stage 4 Response – EMERGENCY Water Shortage Conditions

Target: During Stage 4, achieve a 50% or greater reduction in daily treated water demand relative to treated water demand with the below water use restrictions. Surcharges and reduced allocations are enforceable during Stage 4 water shortage conditions, as described in Section XIII.

During emergency conditions such as system outage or supply source contamination, or supply sources draining empty, alternative water sources and/or alternative delivery mechanisms may be necessary with prior approval of the General Manager or designee. For emergency water shortage conditions associated with contamination of Nueces Basin stored supplies, the Corporation, under the General Manager or designee's direction, may cease receiving its normal supply of water from the South Texas Water Authority and City of Corpus Christi. Temporary or additional supplies of water may be available from Lake Texana on a short-term basis to meet essential water needs. For emergency water shortage conditions associated with contamination of Lake Texana supplies, the Corporation, may also experience large reductions in supplies from the South Texas Water Authority and City of Corpus Christi.

Best Management Practices for Supply Management:

In addition, the Corporation will do the following:

- Call the 10 largest water customers in the area affected by the emergency condition, and if necessary, use runners in key areas to begin spreading the message of a major outage.

Water Use Restrictions for Demand Reduction:

During Stage 4, all requirements of Stage 1, 2, and 3 shall be in effect except as modified below:

- Irrigation of landscaped areas is absolutely prohibited.
- Use of water to wash any motor vehicle, motorbike, boat, trailer, or other vehicle is absolutely prohibited.
- Associated uses of water not related to business process which are discretionary, such as equipment washing, shall be deferred until the Stage ~~5~~ 4 emergency has been terminated.

Optional Measure:

During Stage 4, the following measure is an optional water use restriction that may be implemented by the General Manager, or designee, with Board approval, as conditions warrant:

- For residential and multi-unit customers, a drought surcharge of up to and including 100% of the total monthly water bill over the monthly allocation may be added to the customers' bill to deter discretionary water use, as explained in Section XI.

XI. Surcharges for Drought Stages 3 – 5 and Service Measures

(a) General

- The surcharges established herein are solely intended to regulate and deter the use of water during a period of serious drought in order to achieve necessary water conservation. The Corporation expressly finds that the drought poses a serious and immediate threat to the public and economic health and general welfare of this community, and that the surcharges and other measures adopted herein are essential to protect said public health and welfare.
- This section, and the surcharges and measures adopted herein are an exercise of the Corporation's regulatory and police power, and the surcharges and connection fees are conservation rates intended to meet fixed costs as a result of lost revenue.
- With Board approval, the General Manager is authorized to determine trigger points or allocations and surcharges during Stages 3, ~~4~~, and ~~5~~ 4 Emergency Water Shortage conditions.

4. A customer may appeal an allocation or drought surcharge triggering point established under this Section to the General Manager or designee on grounds of unnecessary hardship, through the process outlined in Section XII.
5. Drought surcharge funds will first be applied towards annual debt service as reflected in the Corporation's operating budget to offset revenue loss due to drought conditions. Additional funds will be reported to the Board for Board direction.

(b) Residential water customers, who are not billed through a master water meter.

1. A monthly base amount of 4,000 gallons shall be established as a trigger point for each customer. Water consumption up to and including this amount will not include a drought surcharge.
2. Above the 4,000 gallon consumption trigger point, with Board approval, a drought surcharge shall be added up to and including 100% of the customer's total monthly water bill over the allocation.

(c) Residential customers who are billed from a master water meter.

1. Once Stage 2 condition has been declared, property managers of multi-tenant units shall notify the General Manager of the number of residential units in their facility for determination of allocations. Until so notified, the Corporation shall calculate the allocation based on two residential units per master water meter. A monthly base amount of 4,000 gallons shall be established as a trigger point for each residential unit.
2. When consumption for the month is less than or equal to 4,000 gallons times the number of residential units, there will be no surcharge.
3. With Board approval, when consumption is above the 4,000 gallons times the number of units, a drought surcharge shall be added up to and including 100% of the customer's total monthly water bill over the allocation.
4. The customer is responsible for passing the demand charge onto the tenant.

(d) Commercial or institutional customer

1. A monthly water usage allocation shall be established by the General Manager or designee for each commercial or institutional customer.
2. Method of establishing allocation:
 - a. When the combined reservoir capacity is less than 20% of total capacity (Stage 4 3), the commercial or institutional customer's allocation shall be 90 percent of the customer's usage for the corresponding month's billing period during previous 12 months prior to the implementation of Stage 2.

- b. If the customer's billing history is shorter than 12 months, the monthly average for the period for which there is a record shall be used for any monthly period for which no history exists.
- c. Provided, however, a customer, 90 percent of whose monthly usage is less than 6,000 gallons, shall be allocated 6,000 gallons.
- d. The General Manager shall give best effort to see that notice of each commercial or institutional customer's allocation is mailed to such customer.
- e. If, however, the customer does not receive such notice, it shall be the customer's responsibility to contact the Corporation's Office to determine the allocation, and the allocation shall be fully effective notwithstanding lack of receipt of written notice.
- f. Upon request of the customer or at the initiative of the General Manager, the allocation may be reduced or increased,
 - (1) if one nonresidential customer agrees to transfer part of its allocation to another nonresidential customer, or
 - (2) if other objective evidence demonstrates that the designated allocation is inaccurate under present conditions.

(e) Industrial customers, who use water for processing.

- 1. A monthly water usage allocation shall be established by the General Manager or designee for each an industrial customer, which uses water for processing (e.g., an industrial customer).
- 2. Method of establishing allocation.
 - a. When the combined reservoir capacity is less than 20% of total capacity (Stage 4 3), the industrial customer allocation shall be 90 percent of the customer's usage for the corresponding month's billing period during the previous 12 months prior to the implementation of Stage 2
 - b. If the customer's billing history is shorter than 12 months, the monthly allocation shall be 1/12 of 90% of the customer's maximum annual contracted amount until 12 months of billing history are established. However if the industrial customer does not have a water contract and does not have at least 12 months of billing history, then the new industrial customer will provide data regarding expected water use and Corporation will determine allocation based on 90% of expected use to determine initial allocation until 12 months of billing history are established.
 - c. The General Manager shall give his/her best effort to see that notice of each industrial customer's allocation is mailed to such customer.
 - d. If, however, the customer does not receive such notice, it shall be the customer's responsibility to contact the Corporation's Office to determine the allocation, and the allocation shall be fully effective notwithstanding lack of receipt of written notice.
 - e. Upon request of the customer or at the initiative of the General Manager, the allocation may be reduced or increased, if:

1. The designated period does not accurately reflect the customer's normal water usage because customer had shut down a major processing unit for overhaul during the period.
2. The customer has added or is in the process of adding significant additional processing capacity.
3. The customer has shut down or significantly reduced the production of a major processing unit.
4. The customer has previously implemented significant permanent water conservation measures.
5. The customer agrees to transfer part of its allocation to another industrial customer.
6. Other objective evidence demonstrates that the designated allocation is inaccurate under present conditions.

(f) Commercial, institutional, and industrial customers shall pay the following surcharges:

1. Customers whose allocation is 6,000 gallons through 20,000 gallons per month:
 - a. \$5.00 per 1,000 gallons for the first 1,000 gallons over allocation.
 - b. \$8.00 per 1,000 gallons for the second 1,000 gallons over allocation.
 - c. \$16.00 per 1,000 gallons for the third 1,000 gallons over allocation.
 - d. \$40.00 for each additional 1,000 gallons over allocation.
2. Customers whose allocation is 21,000 gallons per month or more:
 - a. One times the block rate for each 1,000 gallons in excess of the allocation up through 5 percent above allocation.
 - b. Three times the block rate for each 1,000 gallons from 5 percent through 10 percent above allocation.
 - c. Five times the block rate for each 1,000 gallons from 10 percent through 15 percent above allocation.
 - d. Ten times the block rate for each 1,000 gallons more than 15 percent above allocation.
 - e. The surcharges shall be cumulative.
 - f. As used herein, "block rate" means the charge to the customer per 1,000 gallons at the regular water rate schedule at the level of the customer's allocation.

(g) *Nonresidential customer is billed from a master meter.*

1. When a nonresidential customer is billed from a master meter which jointly measures water to multiple residential dwelling units (for example: apartments, mobile homes), the customer may pass along any surcharges assessed under this DCP to the tenants or occupants, provided that:
 - a. The customer notifies each tenant in writing:
 1. That the surcharge will be passed along.
 2. How the surcharge will be apportioned.

3. That the landlord must be notified immediately of any plumbing leaks.
 4. Methods to conserve water (which shall be obtained from the Corporation).
 - b. The customer diligently maintains the plumbing system to prevent leaks.
 - c. The customer installs water saving devices and measures (ideas for which are available from the Corporation) to the extent reasonable and practical under the circumstances.
- (h) Water service to the retail water customer may be terminated under the following conditions:
1. Monthly residential water usage exceeds allocation by 4,000 gallons or more two or more times for any individual month after the implementation of Stage 3. Also, the two months need not be consecutive months.
 2. Monthly water usage on a master meter which jointly measures water usage to multiple residential dwelling units exceeds allocation by 4,000 gallons times the number of dwelling units or more two or more times (which need not be consecutive months).
 3. Monthly nonresidential water usage for a customer whose allocation is 6,000 gallons through 20,000 gallons exceeds its allocation by 7,000 gallons or more two or more times (which need not be consecutive months).
 4. Monthly nonresidential water usage for a customer whose allocation is 21,000 gallons or more exceeds its allocation by 15 percent or more two or more times (which need not be consecutive months).
 5. For residential customers and nonresidential customers whose allocation does not exceed 20,000 gallons, after the first disconnection water service shall be restored upon request for a fee of \$60, Monday through Friday prior to 4 pm. Restoration of service is not available on weekends or observed holidays.
 6. For such customers, after the second disconnection, water service shall be restored within 24 hours of the request for a fee of \$500.
 7. If water service is disconnected a third time for such customer, water service shall not be restored until the Corporation re-enters a level of water conservation less than Stage ~~3~~ 2.
 8. For master meter customers, the service restoration fees shall be the same as above times the number of dwelling units.
 9. For nonresidential customers whose allocation is 21,000 gallons per month or more:

- a. After the first disconnection water service shall be restored upon request, Monday through Friday prior to 4 p.m. for a fee in the amount of "X" in the following formula:

$$X = \$60 \times \text{Customer's Allocation in gallons} / 20,000 \text{ gallons}$$
 - b. After the second disconnection for said customers, water service shall be restored within 24 hours of the request for a fee of 10 times "X".
 - c. If water service is disconnected a third time for such customer, water service shall not be restored until the Corporation re-enters a level of water conservation less than Stage 3 2.
 - d. The General Manager is directed to institute written guidelines for disconnection of water service under this provision, which will satisfy minimum due process requirements, if any.
- (i) It shall be a defense to imposition of a surcharge hereunder, or to termination of service, that water used over allocation resulted from loss of water through no fault of the customer (for example, a major water line break) for the following conditions:
1. The customer shall have the burden to prove such defense by objective evidence (for example, a written certification of the circumstances by a plumber).
 2. A sworn statement may be required of the customer.
 3. This defense shall not apply if the customer failed to take reasonable steps for upkeep of the plumbing system, failed to reasonably inspect the system and discover the leak, failed to take immediate steps to correct the leak after discovered, or was in any other way negligent in causing or permitting the loss of water.
- (j) When this section refers to allocation or water usage periods as "month," monthly," "billing period," and the like, such references shall mean the period in the Corporation's ordinary billing cycle which commences with the reading of a meter one month and commences with the next reading of that meter which is usually the next month.
1. The goal for the length of such period is 30 days, but a variance of two days, more or less, will necessarily exist as to particular meters.
 2. If the meter reader system is prevented from timely reading a meter by any obstacle which is attributable to the customer, the original allocation shall apply to the longer period without modification.

Section XII: Variances

The Board of Directors, may, in writing, grant temporary variance for existing water uses otherwise prohibited under this Plan if it is determined that failure to grant such variance would cause an

emergency condition adversely affecting the health, sanitation, or fire protection for the public or the person requesting such variance and if one or more of the following conditions are met:

- (a) Compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect.
- (b) Alternative methods can be implemented which will achieve the same level of reduction in water use.

Persons requesting an exemption from the provisions of this Plan shall file a petition for variance with the Ricardo Water Supply Corporation within 5 days after the Plan or a particular drought response stage has been invoked. All petitions for variances shall be reviewed by Board of Directors, or his/her designee, and shall include the following:

- (a) Name and address of the petitioner(s).
- (b) Purpose of water use.
- (c) Specific provision(s) of the Plan from which the petitioner is requesting relief.
- (d) Detailed statement as to how the specific provision of the Plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with this Plan.
- (e) Description of the relief requested.
- (f) Period of time for which the variance is sought.
- (g) Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this Plan and the compliance date.
- (h) Other pertinent information.

Variances granted by the Ricardo Water Supply Corporation shall be subject to the following conditions, unless waived or modified by the Board of Directors:

- (a) Variances granted shall include a timetable for compliance.
- (b) Variances granted shall expire when the Plan is no longer in effect, unless the petitioner has failed to meet specified requirements.

No variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

Section XIII: Severability

It is hereby declared to be the intention of the Board of Directors of the Ricardo Water Supply Corporation that the sections, paragraphs, sentences, clauses, and phrases of this Plan are severable and, if any phrase, clause, sentence, paragraph, or section of this Plan shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Plan, since the same would not have been enacted by the Board of Directors of the Ricardo Water Supply Corporation without the incorporation into this Plan of any such unconstitutional phrase, clause, sentence, paragraph, or section.

ATTACHMENT 5

Resolution 24-03

Resolution 24-03

RESOLUTION OF THE BOARD OF DIRECTORS ADOPTING AN AMENDED WATER CONSERVATION AND DROUGHT CONTINGENCY PLAN FOR THE RICARDO WATER SUPPLY CORPORATION.

WHEREAS, the Board recognizes that the amount of water available to the Ricardo Water Supply Corporation and to its water utility customers is limited and subject to depletion during periods of extended drought; and

WHEREAS, the Ricardo Water Supply Corporation recognizes that natural limitations due to drought conditions and other acts of God cannot guarantee an uninterrupted water supply for all purposes; and

WHEREAS, the Texas Commission on Environmental Quality requires all public water supply systems in Texas to prepare a Water Conservation and Drought Contingency Plan; and

WHEREAS, the Texas Water Code Section 11.039 authorized water suppliers to distribute available water supplies on a pro rata basis during times of water supply shortage; and

WHEREAS, as authorized under law, and in the best interests of the customers of the Ricardo Water Supply Corporation, the Board deems it expedient and necessary to establish certain rules and policies for the orderly and efficient management of water supplies on an ongoing basis as well as during drought and other water supply emergencies.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RICARDO WATER SUPPLY CORPORATION:

SECTION 1. That the Amended Water Conservation and Drought Contingency Plan is attached hereto as Exhibit "A" and hereby adopted as the official policy of the Ricardo Water Supply Corporation.

SECTION 2. That the General Manager is hereby directed to implement, administer, and enforce the Amended Water Conservation and Drought Contingency Plan.

SECTION 3. That this resolution shall take effect immediately upon its passage.

Duly adopted by the Board of Directors of the Ricardo Water Supply Corporation on this 17th day of June, 2024.

BALDEMAR GARCIA, PRESIDENT

ATTEST:

OLIVER HINOJOSA, SECRETARY/TREASURER

ATTACHMENT 6

Development Contract – Woelfel Subdivision

Memo

To: Ricardo Water Supply Corporation Board of Directors
From: John Marez, General Manager
Date: June 14, 2024
Re: Water Supply and Development Contract – Stanley Woelfel, Developer – Woelfel Subdivision

Background:

Stanely Woelfel is requesting that the corporation provide water service for the Woelfel Subdivision. Mr. Woelfel has met Kleberg County subdivision requirements and has paid the pro-rata share of the improvements to the Corporation's water system to service his subdivision.

The property located at (attached in the metes and bounds) is for 4 lots located on CR 1070, south of CR 2180. Only 2 taps are available on the 2" line. Mr. Woelfel understands that only 2 lots can receive RWSC water with the current 2" water line. It is in the Corporation's best interest to enter into this Development Contract.

Application attached.

Analysis:

Developers creating subdivisions, or any property, should be deliberate with their planning and follow the corporation's procedures as dedicated by TCEQ and verified by engineering. This ensures there is adequate water capacity available for the development.

Staff Recommendation:

Accept the Water Supply and Development Contract with Stanely Woelfel.

Board Action:

Authorize the Board President or designee to execute a Water Supply and Development Contract with Stanley Woelfel, Developer, for the Woelfel Subdivision.

Summary:

Mr. Woelfel's subdivision meets all criteria to be accepted into the corporation's water system. Adding more users into RWSC allows for the corporation to grow and meet the expanding need for property with water access in the county.

Mr. Woelfel's pro-rata share has been paid to the corporation.

WATER SUPPLY AND DEVELOPMENT CONTRACT

THE STATE OF TEXAS §

COUNTY OF KLEBERG §

THIS CONTRACT, is between the Ricardo Water Supply Corporation, A Texas non-profit corporation, (hereinafter called RWSC) and Stanley R. Woelfel and Sylvia J. Woelfel., (hereinafter called Developers).

WITNESSETH:

WHEREAS, RWSC has a contract with South Texas Water Authority, a governmental agency, conservation and reclamation district and body politic and corporate, to obtain water for supply to areas which lie outside of the jurisdictional limits of the other existing incorporated cities, water districts, or other municipal corporations which lie within the boundaries of South Texas Water Authority; and

WHEREAS, the South Texas Water Authority has an agreement dated October 14, 1980, with the City of Corpus Christi to obtain treated water from the City of Corpus Christi which gives the South Texas Water Authority the capacity to serve customers lying within the established boundaries of the South Texas Water Authority; and

WHEREAS, both RWSC and Developer recognize the terms of this contract are subject to all the terms and conditions of the contract between the City of Corpus Christi and South Texas Water Authority as well as the contract between South Texas Water Authority and RWSC, and incorporate the terms of each of said contracts by reference into the instant contract; and

WHEREAS, Developer desires to obtain a commitment from RWSC to supply water to a subdivision, as hereinafter described, which Developer has platted; and RWSC desires to supply water to such subdivision under the terms and conditions as hereinafter stated.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, RWSC agrees to supply water under the terms and conditions and for the considerations hereinafter set forth, to-wit:

1. From and after the effective date of this agreement specified in paragraph 5 below, Developer shall have the right to have water supplied to Developer's subdivision by RWSC in Kleberg County, Texas at a point described and depicted in Exhibit "A", attached hereto and incorporated herein by reference.
2. Water provided by RWSC shall be exclusively used within the service area described in Exhibit "A", referred to above. Developer warrants and certifies that the described area within which said subdivision lies neither wholly nor partially within the jurisdictional area of an existing city, municipal corporation, water improvements district or water control and improvement district which have a prior right to supply water to the subdivision, but are situated completely within the boundaries of South Texas Water Authority and within the area served by RWSC.
3. RWSC makes no guaranty that water will be available at any particular time or place; it being fully understood by both parties hereto that the ability of RWSC to supply water is subject to its contract with South Texas Water Authority which is subject to South Texas Water

Authority's contract with the City of Corpus Christi for the supply of water, all terms of both agreements being herein incorporated by reference, and that this instrument is merely an agreement to allow withdrawal of water from the system operated by RWSC, when and if same is present and available.

4. As a precedent to RWSC having a duty to supply water to Developer's subdivision,

Developer must:

- (a) meet all flood plain, platting and subdivision requirements of the contract between the City of Corpus Christi and South Texas Water Authority and the contract between South Texas Water Authority and RWSC as well as local city, county, state or federal ordinances or laws and by the Federal Grant and Loan Agreements of which South Texas Water Authority and RWSC are subject as shall be specified by RWSC;
- (b) make a deposit sufficient as determined solely by RWSC, to pay for the oversizing of the line(s) and/or increased pumping capacity necessary to service the subdivision as reasonably required when fully developed as platted; such deposit to be made prior to the servicing of said subdivision. Upon Developer having met all requirements, including payment for the increased capacity of the water system as stated hereinabove, RWSC shall have the duty to provide water to the subdivision to the extent of the increased capacity, as needed by the subdivision. If at the end of seven (7) years from the date water service first became available to the subdivision, such increased capacity is not being fully utilized for service of the subdivision, from such

time RWSC, South Texas Water Authority or the respective assigns of either, shall have the right to allocate the use of such excess capacity for other customers.

Developer, during such seven (7) year period shall not be entitled to the exclusive use of such increased capacity unless or until all of the increased capacity is actually required in order to serve the subdivision or development.

- (c) submit for RWSC review and approval, all plans and specifications for water improvements within the development prior to construction. The Developer shall conform with all material and construction specifications of South Texas Water Authority and RWSC for water system improvements within the development prior to construction.
- (d) notify RWSC prior to the beginning of construction of the water distribution system within the subdivision so that RWSC may inspect the work in progress.
- (e) upon completion of construction of the water distribution system within the subdivision, submit as-built drawings and dedicate the water system improvements and an easement twenty feet (20') in width (or ten feet [10'] if the easement is adjacent to a public road or street) conforming to the outlines of the water distribution system as reflected by the said plat and as-built drawings, to RWSC or its assigns after final inspection and approval by an authorized representative of RWSC.

5. This agreement shall not be considered effective or a binding obligation against RWSC until Developer has made all deposits and met all requirements called for by this Agreement.

6. Subject to Developer's duty to pay for the increased capacity of the line as stated hereinabove, RWSC will provide water service to the boundary line of the subdivision. Developer shall be financially responsible for the construction of the water distribution system within the subdivision.
7. RWSC will neither accept the dedication of the water system improvements nor provide water to the subdivision unless at the time of the dedication by Developer, Developer also submits to RWSC on forms supplied by RWSC, an affidavit executed by each contractor and subcontractor who has either supplied materials or labor to Developer for the construction, that contractor or subcontractor has been paid for the work performed, as well as an affidavit by Developer that Developer has paid for all work and materials supplied for the construction of the water system improvements.
8. Developer shall have no right to sell water to purchasers of lots within the subdivision and understands and agrees that each property owner within the subdivision will sign an individual water service contract with RWSC, or its assigns, before water service will be provided to the property owner desiring service.
9. Any expansion of the subdivision beyond the boundaries as shown by the plat attached hereto as Exhibit "B" will require that the Developer enter into a new water supply and development standards contract with RWSC, or its assigns, containing generally the same provisions as the instant contract.

10. RWSC reserves the right to designate the point at which Developer will have the right to tie into the RWSC water system.

11. In further consideration of RWSC's agreement to provide water to the boundary line of the subdivision, Developer warrants and covenants that:

- a. Developer is the owner of record of the land described in the plat attached hereto as Exhibit "B".
- b. The name of the subdivision is Woelfel Subdivision, Block No. 1, Lots 1 through 4.
- c. The entire land contained within the subdivision and for which Developer enters into this Water Supply and Development Contract is described on a subdivision plat attached hereto as Exhibit "B".
- d. The land contained within the subdivision is held by Developer under deed recorded in the Deed Records of the Kleberg County Clerk's office as follows: Volume 511, page 837.
- e. All taxes which are liens on the land at the date hereof have been paid.
- f. There (~~are~~) (are not) any encumbrances or liens against the land. (Specify encumbrances, if any.) List Lien holder(s).

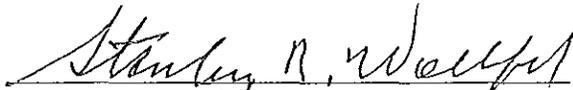
12. Developer will indemnify and save RWSC harmless from any and all claims or demands whatsoever to which RWSC may be subjected by reason of any injury to any person or damage to any property resulting from or in any way connected with any and all actions and activities (or failure to act) of Developer under this contract. Developer shall be solely responsible for obtaining any permits or easements for the use of land owned by others, if necessary for the construction and installation of the water system improvements within the subdivision. However, nothing in this agreement shall be construed as authorizing Developer to obligate RWSC in any manner related to the installation and construction of any equipment, materials or water system improvements either within or without the subdivision. Developer further hereby releases RWSC and agrees to hold it harmless from any and all claims that Developer has or may have against RWSC for any reason whatever resulting from the agreement to use water obtained from RWSC, and RWSC makes no representation as to the quality of such water, other than it shall be potable.
13. No assignment of this agreement in whole or in part for any purpose shall be made or granted by Developer without the prior written consent of RWSC.
14. This contract may be changed or modified only with the written consent of Developer and the governing body of RWSC. Such modification may be requested by either party, but shall not in any event be effective until approved by the Board of Directors of RWSC.
15. This contract shall be subject to all valid rules, regulations and laws applicable hereto, past, or in the future, promulgated by the United States of America, the State of Texas, and any

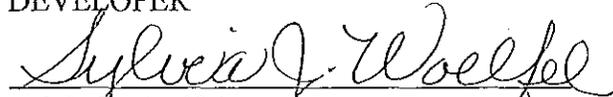
other governing body or agency having lawful jurisdiction, or any authorized representative or agency of them.

16. If RWSC should be prevented, wholly or in part, from fulfilling its obligation to supply water to the boundary of the subdivision, by reason of any act of God, unavoidable accident, acts of enemy, strikes, fires, floods, conservation of water for those with superior and legal rights to such water, governmental restraint or regulation, or other causes of force majeure, or by reason of circumstances reasonable beyond its control, then the obligation of RWSC to deliver water to Developer's subdivision, as hereinabove provided, shall be temporarily suspended during continuation of such force majeure. No damage shall be recoverable by Developer from RWSC by reason of the temporary suspension of delivery of water due to any of the causes above mentioned. If RWSC's obligations shall be affected by any such causes, RWSC shall promptly notify Developer in writing, giving full particulars of such force majeure as soon as possible after the occurrence of the cause or causes relied upon.

17. It is agreed by the parties hereto that this instrument contains in writing all of the agreements between the parties hereto and nothing (except those things required by law) not incorporated herein or by reference shall be binding on the parties.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in several counterparts, each a copy of which so executed shall be considered as an original by the respective duly authorized representatives, this the 15th day of June, 2024.


Stanley R. Woelfel
DEVELOPER


Sylvia J. Woelfel
DEVELOPER

Ricardo Water Supply Corporation

Baldemar Garcia, President

Exhibit "A"

Metes and Bounds Description for:

A 37.99-ACRE TRACT OF LAND, COMPRISED OF A 20.00-ACRE TRACT AND AN 18.00-ACRE TRACT KNOWN AS "TRACT I" AND "TRACT II" BOTH DESCRIBED IN A DEED TO STANLEY R. WOELFEL, ET UX AS RECORDED IN VOLUME 511, PAGE 837, OFFICIAL RECORDS, KLEBERG COUNTY, TEXAS OUT OF LOT 9, SECTION 57 OF THE KLEBERG TOWN & IMPROVEMENT CO. A MAP OF WHICH IS RECORDED IN CABINET 1, ENVELOPE 18, MAP RECORDS, KLEBERG COUNTY, TEXAS AND BEING OUT OF THE EL RINCON DEL GRULLO GRANT, ABSTRACT NO. 101, IN KLEBERG COUNTY, TEXAS, SAID 37.99-ACRE TRACT BEING MORE PARTICULARLY DESCRIBED WITH BEARINGS BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM OF 1983 (NAD 83), SOUTH ZONE (4205), WITH METES AND BOUNDS AS FOLLOWS:

BEGINNING: AT A 5/8" IRON ROD FOUND, N=17,035,839.57, E=1,208,943.12, ON THE WEST RIGHT-OF-WAY LINE OF W. COUNTY ROAD 1070 (60' WIDE R.O.W), SAME BEING THE EAST LINE OF SAID LOT 9 SECTION 57, FOR THE SOUTHEAST CORNER OF SAID "TRACT II" AND FOR THE SOUTHEAST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE: S 88°58'40" W, ACROSS SAID LOT 9, SECTION 57 AND WITH THE SOUTH LINE OF SAID "TRACT II", A DISTANCE OF 1,262.41 FEET TO A 5/8" IRON ROD FOUND ON THE COMMON LINE OF LOT 10 AND SAID LOT 9, SECTION 57, SAME BEING THE EAST LINE OF A 20.00-ACRE TRACT DESCRIBED IN A DEED TO BRAXTON BEILSKI, ET UX AS RECORDED IN DOCUMENT NO. 319498, OFFICIAL RECORDS KLEBERG COUNTY, TEXAS , FOR THE SOUTHWEST CORNER OF SAID "TRACT II" AND FOR THE SOUTHWEST CORNER OF THE HEREIN DECRIBED TRACT;

THENCE: N 00°58'27" W, WITH THE COMMON LINE OF SAID 20-ACRES, AND SAID LOTS 9 AND 10 OF SECTION 57, ADISTANCE OF 1,311.00 FEET TO A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF E. COUNTY ROAD 2180 (60' WIDE R.O.W.) (PARTIALLY UNOPENED), FOR THE NORTHEAST CORNER OF SAID 20.00-ACRE TRACT, AND FOR THE NORTHWEST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE: N 88°58'40" E, WITH THE COMMON LINE OF SAID LOT 9, SECTION 57 SAID E. COUNTY ROAD 2180, A DISTANCE OF 1,262.41 FEET TO A 5/8" IRON ROD SET AT THE INTERSECTION OF SAID E. COUNTY RAOD 2180 AND SAID W. COUNTY ROAD 1070, FOR THE NORTHEAST CORNER OF SAID LOT 9, SECTION 57, AND FOR THE NORTHEAST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE: S 00°58'27" E, WITH THE COMMON LINE OF SAID LOT 9, AND SAID W. COUNTY ROAD 1070, A DISTANCE OF 1,311.00 FEET TO THE POINT OF BEGINNING AND CONTAINING 37.99-ACRES OF LAND, MORE OR LESS. SAID TRACT BEING DESCRIBED IN ACCORDANCE WITH AN ACTUAL SURVEY MADKE ON THE GROUND BY ARDURRA GROUP, INC.

ATTACHMENT 7

Resolution 24-04

RICARDO WATER SUPPLY CORPORATION

Resolution 24-04

RESOLUTION AUTHORIZING THE RICARDO WATER SUPPLY CORPORATION PRESIDENT TO ENTER INTO A WATER SUPPLY AND DEVELOPMENT CONTRACT WITH STANLEY R. WOELFEL AND SYLVIA J. WOELFEL, DEVELOPER.

WHEREAS, Stanley R. Woelfel and Sylvia J. Woelfel have approached the Corporation requesting that water service be provided to Woelfel Subdivision, and

WHEREAS, Stanley R. Woelfel and Sylvia J. Woelfel have met Kleberg County subdivision requirements and have paid the pro rata share of the improvements to the Corporation's water system to service the subdivision, and

WHEREAS, it is in the Corporation's best interest to enter into this Development Contract with Stanley R. Woelfel and Sylvia J. Woelfel.

NOW, THEREFORE, BE IT RESOLVED that the Ricardo Water Supply Corporation hereby authorizes the Board President to execute a Water Supply and Development Contract with Stanley R. Woelfel and Sylvia J. Woelfel, on behalf of the Corporation.

Duly adopted this 17st day of June, 2024.

BALDEMAR GARCIA, PRESIDENT

ATTEST:

OLIVER HINOJOSA, SECRETARY/TREASURER

ATTACHMENT 8

Lead Service Line Inventory Survey

Memo

To: Ricardo Water Supply Corporation Board of Directors
From: John Marez, General Manager
Date: June 14, 2024
Re: Lead Service Line Inventory and Customer Survey for Lead and Copper Rule Compliance

Background:

For the federally required Lead and Copper Rule (LCR) lead service line (LSL) inventory in Texas, specific authorization for conducting a customer survey is not explicitly mandated. However, the TCEQ encourages utilities to gather comprehensive data on service line materials, which may include customer surveys as part of the process.

Utilities are expected to review historical records, conduct physical inspections, and potentially use customer surveys to confirm the presence of lead service lines. Although customer authorization for these surveys is not a formal requirement by the TCEQ, it's recommended that utilities ensure transparency and customer cooperation when collecting data. This can involve informing customers about the purpose of the survey, how the information will be used, and ensuring the confidentiality of customer data.

If detailed information cannot be found through records, interviews with senior personnel and field investigations might be necessary. Engaging with customers directly through surveys can be a practical method to fill in any gaps in historical data.

Analysis:

To ensure compliance with the LCR, it is essential for the corporation to gather accurate data regarding lead service lines. This process should include reviewing historical records, conducting physical inspections, and potentially utilizing customer surveys. Transparency and clear communication with customers about the purpose and use of the survey data are crucial for successful data collection and customer cooperation.

Staff Recommendation:

Proceed with the recommended approach for data collection, which includes historical record review, physical inspections, and customer surveys where necessary. Ensure all communications with customers are clear and transparent, explaining the purpose of the survey and guaranteeing the confidentiality of their data.

Board Action:

Authorize the implementation of the recommended data collection approach, including the use of customer surveys, to comply with the LCR lead service line inventory requirements. Ensure that all steps are taken to maintain transparency and customer cooperation throughout the process.

Summary:

Complying with the LCR requires a thorough and comprehensive approach to data collection regarding lead service lines. By reviewing historical records, conducting physical inspections, and utilizing customer surveys where necessary, the corporation can gather the required data effectively. Transparency and clear communication with customers will be key to successful data collection and cooperation.

For specific guidance or if there are additional concerns regarding compliance, it is advisable to contact TCEQ directly or consult their resources on the Lead and Copper Rule Revisions.

Lead Service Line Inventory Under Lead and Copper Rule Revisions (LCRR) - Texas Commission on Environmental Quality - www.tceq.texas.gov (<https://www.tceq.texas.gov/assistance/resources/the-advocate-1/lead-service-line-inventory-lead-and-copper-rule-revisions-lcrr>)

Lead and Copper Rule Revisions and Lead and Copper Rule Improvements - Texas Commission on Environmental Quality - www.tceq.texas.gov (<https://www.tceq.texas.gov/drinkingwater/chemicals/lcrr>)

Lead and Copper Rule Revisions (LCRR) - Texas Commission on Environmental Quality - www.tceq.texas.gov (<https://www.tceq.texas.gov/assistance/resources/the-advocate-1/lead-and-copper-rule-revisions-lcrr>)

Drinking Water Lead and Copper Program - Texas Commission on Environmental Quality - www.tceq.texas.gov (https://www.tceq.texas.gov/drinkingwater/chemicals/lead_copper)

Ricardo Water Supply Corporation – Service Line Inventory Survey

What is the purpose of this survey?

The completion of this survey is required from all Ricardo Water Supply Corporation-membership/customers in order to comply with the service line inventory requirements of the January 15, 2021, Lead and Copper Rule Revisions (LCRR). As you may already know this has been an ongoing process for a number of years as part of the mandated Safe Drinking Water Act-Lead and Copper Monitoring.

A complete inventory of all Corporation and customer service lines are being requested and due by October 2024. Some questions being asked can not be answered without your assistance. Please answer each question to the best of your ability. The data collected will be submitted to Texas Commission on Environmental Quality (TCEQ) as part of the initial service line inventory. Please fill out the completed survey and return as soon as possible. Call our office if you have any questions at 361 592-3952.

Name on Account: «Account_Name» Account #«Account»

Property Address: «Service_Address» Meter #«Asset_Id»

Phone #_____

1. What year was your current home built? _____

Questions regarding your service lines from meter to home:

1. What kind of pipes does your home/residence have? (check one)
Copper____, PVC____, Lead____, Galvanized____, Don't know_____.
2. Were lead connectors used? Yes____, No____, Don't know_____.
3. Was lead solder used in any plumbing? Yes____, No____, Don't know_____.

Questions regarding lines inside your home:

1. Is there Point of Entry or Point-of-Use Treatment Present? (check one)
(Such as a water softener system) Yes____, No____, Don't know_____.
2. Does the interior building plumbing contain copper pipes with lead solder, installed before July 1, 1988? (check one) Yes____, No____, Don't know_____.

Please return the completed survey by_____. Our office will need ample time to document the information provided before the October 2024 deadline.

ATTACHMENT 9

CR 1030 Transmission Line Improvements Project

Memo

To: Ricardo Water Supply Corporation Board of Directors
From: John Marez, General Manager
Date: June 14, 2024
Re: Update CR 1030 Water Transmission Line Improvement Projects

Background:

Currently Hubert Construction is close to completing this project. Based on funding the delays the project was halted until Kleberg County Commissioner's Court stepped up to ensure funding was covered rather than wait for the state to provide its final round of funding for this project.

Analysis:

The original completion date of April 24, 2024 expired with approval of Commissioner's Court and the project has been restarted. The project is estimated at 75% complete but Ardurra Engineering firm will be available at the board meeting to provide more details.

Hubert Construction is planning to install the remainder of the waterline the week of June 17th. This will also involve pressure testing, gathering of water samples, and concluding with "tie-ins".

The project's estimated completion is the end of June, with weather-permitting.

Staff Recommendation:

Receive update and provide any general inquires to the appropriate party.

Board Action:

Action is not needed. Informational only.

Summary:

The last update on this subject was held during our February meeting. As a reminder, the Corporation does not incur costs for this project since funding is provided by the state through the Kleberg Commissioner's Court.



NOTICE TO PROCEED

DATE: August 9th, 2023

TO: Donald Hubert Construction Company, Inc.

ADDRESS: PO Box 84,
Kingsville, Texas 78364

OWNER: Kleberg County, Texas

PROJECT: Ricardo WSC Water Transmission Line Improvements Project
TxCDBG TDA Contract No. CFC21-0479

You are notified that the Contract Time for the above referenced project will commence to run on **August 28th, 2023**. By that date, you are to start performing your obligations under the Contract Documents. In accordance with Article 3 of the Agreement, the date of Final Completion is **April 24th, 2024**.

Please notify us of your anticipated start date and construction schedule so that we can coordinate your activities with the Owner.

Respectfully,
Ardurra Group, Inc.
TBPELS Firm No. F- 10053

A handwritten signature in black ink, appearing to read "Robert M. Viera".

Robert M. Viera, P.E., RPLS
Managing Principal

