

Crown Mountain Water Supply Corporation
April 21, 2018
Board of Directors Meeting Minutes

Date: April 21, 2018
Time: 11:00 AM
Place: Falcon Residence

Board Members Present:

President	Chano Falcon	✓
Vice President	Adria Schreiber-Garza	✓
Treasurer	Sam Ferguson	✓
Secretary	Tanya King	✓
Assistant Secretary	Ike Eikenberg	✓

CMWSC Employees Present:

Well Operator	Lonny Meadors	✓
Business Manager	Nora Falcon	✓

Other Water Corporation Members Present:

I. Call to Order: *11:00 AM by Chano Falcon*

II. Public Comments (Three Minute Time Limit Per Member)

John Klebenow informed the Board that he feels that CMWSC needs to buy a new ladder for the well site for our well operator to use.

Lonny Meadors addressed the Board stating that he is fine using his own ladder.

John Florence informed the Board that he is ready to drill his own well.

Chano Falcon informed all the present members that there were changes made to the agenda.

III. Approval of Minutes

February 10, 2018 Minutes were presented by Tanya King.

A motion to approve the minutes was made by Ike Eikenberg and a second motion by Sam Ferguson. The February 10, 2018 Board Meeting Minutes were unanimously approved.

IV. Reports

a. Business Manager's Report

1. Update on Delinquent Accounts

As of the April 21, 2018 Board meeting Nora Falcon reported that there is still the 1 remaining payment plan and 1 lien. The 1 remaining payment plan is scheduled to be paid out by mid-summer 2018. Nora reported that charges and late fees continue to accrue for Lots 22 and 23 in Oak Meadows II. As of April 1, 2018, the total amount owed for the 2 lots is \$1,319.46. Nora informed the Board that a return receipt for the certified letter sent on March 12, 2018 was received on March 26, 2018. Nora recommends that in the future any suspected violations should be sent only by written notice.

Nora Falcon informed the Board of the need to ensure compliance and suggested some steps to take. Nora stated the importance of having accurate customer information for purposes such as setting up an emergency alert system or a phone bank for corporation related issues.

2. Membership Certificate Activity and Developments

Nora Falcon reported that there were 14 new or transfer Certificates mailed out in 2017 and 1 transfer certificate mailed out so far in 2018. Nora reported that there are 5 lots for sale in Crown Mountain and 1 transaction is pending sale in Oak Meadows II.

Nora informed the Board that there are 9 properties without a clear record of membership fee payment and that 2 of the 9 properties are already receiving water. Nora inquired what should be done about the certificates that there is no record of. She stated that more research should be done.

b. Treasurer's Report

Sam Ferguson reported that we still owe \$6,303.43 on our loan. He also informed the Board that the 2017 1099's were sent out on March 20, 2018 and stated that we are a 501C12 which establishes us as a nonprofit. Sam also reported that a Public Health Service Fee is mailed out each November and TCEQ was paid.

1. Savings Balance

Sam Ferguson reported that as of April 21, 2018 a total of \$35,188.86 was posted by the FSB Uvalde as our current savings balance. However, this balance reflects a \$10,000 loan and a \$10,000 earmark for loan collateral. In essence, CMWSC has \$25,188.86 available for expenditure.

2. Checking Balance

Sam Ferguson reported that as of April 21, 2018 a total of \$14,254.21 was posted by the FSB of Uvalde as our current checking account balance.

<i>Total Available Assets from Savings:</i>	<i>\$35,188.86</i>
<i>Total Available Assets from Checking:</i>	<i>\$14,254.21</i>
<i>Total Available Assets</i>	<i>\$49,443.07</i>

Total Reserve for Ongoing Maintenance and Operations: \$49,443.07

c. Operator's Report

Lonny Meadors reported that he and James from TCEQ met with members of the Board and discussed changing our 2500 Gallon steel pressure tank. James told him that we could swap the tank around, but it would eventually burn up the pump so that's not an option.

1. Update on Backflow Preventer Installation

Lonny Meadors reported that as of April 21, 2018 Levi King has finished. There was a discrepancy on CG Guerrero's meter and a part needed to be ordered. Lonny believes that the part came in and the job was completed but he will need to double check.

2. Well Operation

Lonny Meadors informed the Board that the new canisters have come in. Newman will come to evaluate our system, so we will wait to make a decision to install the housing canister.

RO System: *Lonny reported that we received the membranes and will wait to install until Newman does our evaluation.*

Chlorine System: *Lonny also reports that we have 3 new meters on the shelf and a new chlorine pump of the shelf and that the old one is squealing.*

Mains, Pipes, and other Infrastructure: *Lonny informed the Board that the leak behind tract 30 has been repaired and it broke again. Lonny had to shock and re-shock the water system and as of right now it is still leaking but contained. Lonny also reported that the water main behind the well needs to be covered up.*

Ike Eikenberg made a motion and Adria Schreiber-Garza made a second motion to approve the Business Manager's Report, the Treasurer's Report, and the Well Operator's Report. The motion was unanimously approved.

V. New Business

a. Discussion with Mark Carlile about changing Deeds and Restrictions

Ike Eikenberg reported that Mark Carlile can't legally change deed and restrictions. We can maybe get a 70% vote to make changes. Ike informs the Board that Crown Mountain and Oak Meadows have their own separate deed and restrictions. Ike stated that we need to come up with policies and procedures to make sure that CMWSC would remain intact. Chano Falcon stated that he recommends that a committee be formed to investigate changing the bylaws and write up policies and procedures.

b. Discuss and Possibly Act on Staggering Board Members Terms

Ike Eikenberg explained to Board members that the bylaws were amended so that there were enough people to be on the Board and that the bylaws need to be amended again. He stated that guidelines need to be set up in the next meeting to start

staggering Board members. Meaning that some Board members should stay on only 1 extra year. Adria Schreiber-Garza will work on something for the next meeting.

c. Discuss Request for FMT by Chano Falcon from TCEQ

Chano Falcon reported that the City of Camp Wood wants to know what is out of compliance according to TCEQ for them to take over the water system. He informed the Board that TCEQ has come out and inspected the well. TCEQ says it should cost less than \$150,00 to become compliant. Most of this cost is to do with the Brine Water Detention Pond. Lonny Meadors informed the Board that Ray McDonald used Tommy Ward to witch the original well and that there is a wide stream close by. Drilling a shallow well could be an option later.

d. Discuss and Possibly Act on What Our Next Step Should be with the City of Camp Wood/Crown Mountain Well

Chano Falcon informed the Board the he is still waiting on the report from TCEQ. He suggested that we wait on giving anything to the City until we know more. Sam Ferguson suggested that we put our water testing results and other info in the Canyon Broadcaster. Cindy Meadors and Ike and Babette Eikenberg will start working on getting with Joel Pigg and the Canyon Broadcaster to work something up.

e. Discuss and Possibly Act on Paying off FSBU Loan

Sam reported again the loan balance is \$6,303.43. The Board members discussed whether to pay off the loan.

Ike Eikenberg made a motion and Tanya King made a seconded to pay off the FSBU loan. The motion was unanimously approved.

f. Discuss and Possibly Act on the possible need to Hire an Attorney

Chano Falcon stated to the Board that we may want to hire an attorney but we need to figure out what kind of attorney we need and when we want to hire them. Lonny Meadors suggested that we get in contact with the Texas Water Rural Authority to have them direct us to the right attorney. Research will be done on the right type of attorney and what exactly we need it for.

g. Discuss and Possibly Act on the Need to Find a Replacement for Lonny Meadors

Lonny Meadors addressed the Board to inform them that he will be retiring as Well Operator with a Class D License on March 18, 2019. John Florence still has a desire to become the Well Operator. Ike Eikenberg suggested that we put an insert into the billing to inform members that if they have an interest in becoming a Well Operator, they should get with the Board. Adria will write something up and get it to Nora by the end of the month.

h. Discuss Compliance Infrastructure Requirements, Estimated Costs and Funding Options

Adria Schreiber-Garza passed out papers to inform the Board that we can get financial assistance. She stated that to get funding we need to own the well, we need a preliminary design and that we should wait to get the exception report to see a list of things that need to be done before we start the application process. In short, there are entities that can help us get the funds we need. Adria will get with Joel Pigg to get his recommendation.

i. Consider and Possibly Act on Changing Billing Due Date

Sam Ferguson stated that he would like to move the billing due date up to the 15th of the month so Nora doesn't have to work so long into the month.

Ike Eikenberg make a motion to move the billing due date to the 15th and Sam Ferguson seconded. Chano Falcon and Tanya King approved, Adria Schreiber-Garza opposed. The motion is passed. Addendum 1 to the financial Policy will be changed to show the effective date on July 1, 2018.

j. Consider and Possibly Act on Raising Late Fees

Adria Schreiber-Garza stated that our tariff says the Late Fee is 10%.

Adria Schreiber-Garza made a motion to raise the late fee to 10% effective immediately and Ike Eikenberg made a second motion. The Board unanimously approved. The late fee is raised to 10% of bill in accordance to what is already in our tariff.

k. Review of the TCEQ Water Testing Results

Lonny Meadors reported that all samples have come back normal that have been pulled by TCEQ. TCEQ has been testing for many different things.

Lonny informed the Board that Chlorine is necessary to shock the system when there is a break and because of the break on the pipe by the developer, Lonny has been having to shock the system which has been making our system heavily chlorinated until it flushes out to where it needs to be.

VI. Old Business

a. Review and Discuss Draft Drought Contingency Plan

Adria Schreiber-Garza addressed the Board and explained the changes that were implemented in Draft Drought Contingency Plan. The Board reviewed and discussed what else needs to be implemented or changed. The Board will continue to discuss. .

VII. Next Meeting

The next Regular Board Meeting will be held on August 11, 2018 at 11:00AM at the Senior Citizen Building

VIII. Dismissal

A motion to adjourn the Board meeting was made by Ike Eikenberg and a second motion was made by Adria Schreiber-Garza. The meeting was adjourned at 1:48 PM.

Submitted By:

Tanya King
Secretary