

NUECES WATER SUPPLY CORPORATION
Minutes – Regular Meeting
November 29, 2022

Board Members Present:

Alice J. Black
Sherry Zimmerman (Zoom)
Kathleen Lowman

Board Members Absent:

None

Staff Present:

John Marez
Frances De Leon
Jo Ella Wagner
Nigel Gomez
Valerie Garcia

Guests Present:

Charlie Cardenas, ICE

1. Call to Order.

Ms. Alice J. Black, President, called the Regular Meeting to order at 2:03 p.m. at the South Texas Water Authority Boardroom, 2302 East Sage Road, Kingsville, Texas. A quorum was present.

2. Citizen comments.

No comments from the public were made.

The order of the agenda was changed.

11. Discussion and possible action on Vaquero Ventures project on FM 665.

Mr. Charlie Cardenas of I.C.E. reported that the design of the waterline changes is complete and it is in the TxDOT review phase. Approval is expected soon. Mr. Marez stated that a partial payment to ICE is due for engineering services. Ms. Lowman made a motion to approve payment. Ms. Zimmerman seconded. All voted in favor.

3. Approval of Minutes.

Ms. Lowman made a motion to approve the minutes of the September 21, 2022 Regular Meeting as presented. Ms. Zimmerman seconded. All voted in favor.

4. Treasurer's Report/Payment of Bills.

The following financial reports were presented for review and approval:

Treasurer's Report as of August 31, 2022

Account Activity for General Account for August 1, 2022 to August 31, 2022

Account Activity for Operations Account for August 1, 2022 to August 31, 2022

TEXPOOL Participant Statement for 08/01/2022 – 08/31/2022 for General Account

TEXPOOL Participant Statement for 08/01/2022 – 08/31/2022 for Security Deposit Account

TexSTAR General Account Statement for 08/01/2022 – 08/31/2022

Treasurer's Report as of September 30, 2022

Account Activity for General Account for September 1, 2022 to September 30, 2022

Account Activity for Operations Account for September 1, 2022 to September 30, 2022

TEXPOOL Participant Statement for 09/01/2022 – 09/30/2022 for General Account

TEXPOOL Participant Statement for 09/01/2022 – 09/30/2022 for Security Deposit Account

TexSTAR General Account Statement for 09/01/2022 – 09/30/2022

The following bills were presented for payment:

STWA Invoice S22-146 \$11,236.18

August 2022 Taps and Repairs

STWA Invoice S22-148 \$ 135.86

August 2022 Reimbursements

STWA Invoice S22-156 \$26,169.96

September 2022 Water Usage, Water Cost and Handling Charge

STWA Invoice S22-157 \$17,792.33

September 2022 General and Administration

STWA Invoice S22-161 \$ 8,638.25

September 2022 Taps and Repairs

STWA Invoice S22-165 \$ 339.60

Payroll Expense for Stand By Pay (June 30 through September 28, 2022)

STWA Invoice S22-167 \$ 1,315.74

Reimburse for Fiber optic phone service (06/19/22 through 09/19/22) and High Touch Technology support (07/01/22 through 09/30/22)

STWA Invoice S22-177 \$33,309.94

October 2022 Water Usage, Water Cost and Handling Charge

STWA Invoice S22-178	\$17,697.21
October 2022 General and Administration	

STWA Invoice S22-182	\$13,385.74
October 2022 Taps and Repairs	

Ms. Zimmerman made a motion to approve the Treasurer's Reports and payment of the bills as presented. Ms. Lowman seconded and all voted in favor.

5. Fiscal Year 2022 Budget Amendments.

Ms. Wagner reviewed the proposed Fiscal Year 2022 Amended Budget which reflected a decrease in Revenues of \$166,816 and a \$173,746 increase in Total Expenditures for a Net Loss of \$262,695. She pointed out that the depreciation expense is not a cash flow item. Ms. Lowman made a motion to approve the amendments as presented. Ms. Zimmerman seconded. All voted in favor.

6. Proposed Fiscal Year 2023 Budget and retail water rates

Ms. Wagner presented the proposed Fiscal Year 2023 Budgets based on the current rates as well as three additional scenarios based on various monthly minimums and tier rates. After reviewing the options Ms. Zimmerman made a motion to accept Option A which keeps the same minimum of \$31.50 and increases the water rate by 29 cents.

7. Resolution 22-03. Resolution adopting the recommended Fiscal Year 2023 Budget.

Ms. Lowman made a motion to adopt Resolution 22-03 increasing the water rate only by 29 cents, Ms. Zimmerman seconded and all voted in favor.

8. John Womack & Co., P.C. Letter of Engagement for Auditor Services.

Mr. Marez presented the John Womack & Co., P.C. Letter of Engagement for auditor services for the fiscal year ending December 31, 2022 with a cost of \$5,975. Ms. Lowman made a motion to accept the engagement letter for FY 2022 audit services with John Womack & Co., P.C. in the amount of \$5,975. Ms. Zimmerman seconded and all voted in favor.

9. Annual Meeting Schedule and Election Procedures.

Mr. Marez stated that per State requirements, the Board must review Election Procedures for the Annual Membership meeting. The positions currently held by Ms. Black and Ms. Zimmerman are up for election in April of 2023. In addition, two vacancies remain on the board. He also presented the timeline and schedule for the 2023 Annual Membership Meeting and asked for approval to proceed with the schedule and to incorporate recommended changes in the Corporation's Election Procedures. Ms. Lowman made a motion to authorize incorporating the

changes into NWSC's procedures, mailing of the presented documents and proceeding with the recommended schedule.

10. Bank Depository Agreement.

Mr. Marez stated that Finance Manager Jo Ella Wagner contacted Kleberg Bank about extending the two-year Depository Contract between Kleberg Bank and Nueces Water Supply Corporation; however, instead of extending the current agreement, Kleberg Bank offered a concurrent six-month term ending on March 31, 2023 to allow NWSC an opportunity to renegotiate a contract with Kleberg Bank. Ms. Zimmerman made a motion to approve the six-month extension. Ms. Lowman seconded. All voted in favor.

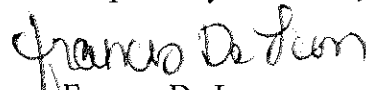
12. Authorize TRWA Agreement for GIS Mapping Services.

Mr. Marez presented an Agreement for GIS mapping services sponsored by Texas Rural Water Association. He explained that GIS mapping can be very beneficial in locating drinking water infrastructure. In addition, information can be easily shared with large companies seeking to locate in the area. He stated that training on the mapping system is included and recommended approval of the agreement at an amount not to exceed \$10,000 . He added that STWA and Ricardo Water Supply Corporation have approved similar agreements. Ms. Lowman made a motion to accept the TRWA Agreement for GIS Mapping Services at a cost not to exceed \$10,000. Ms. Black seconded and all voted in favor.

13. Adjournment.

With no further business to conduct, Ms. Black adjourned the meeting at 3:02 p.m.

Respectfully submitted,


Frances De Leon
Assistant Secretary