

# **LEROY-TOURS-GERALD WATER SUPPLY CORPORATION**

## **ANNUAL MEMBERS' MEETING**

**JANUARY 25<sup>th</sup>, 2024**

President Robert Polansky called the meeting to order at 7:00 P.M.

**DIRECTORS PRESENT:** Robert Plansky, Dennis Debbendener, John Simcik, Cheri Beuerlein, Cole Canady, Lyn Middleton, Don Ramsey, Stephen Symank & David White. Staff present: Diane Delgado, Chet Oszust and Adam Miles

**PRESIDENT'S REMARKS-** Mr. Polansky welcomed the members and thanked them for attending. Announces there are 16 members who are present. Then declared a quorum present.

**HEARING OF MEMBERS' AND VISITORS' CONCERNS-** N/A

**CONSIDERATION OF MINUTES OF THE LAST ANNUAL MEETING-** Mr. Polansky read the minutes of the 2023 Annual Meeting. Mr. Middleton moved to approve the minutes as written. Mr. Simcik seconded the motion. All in favor, the motion carried.

**REPORT FROM THE BOARD PRESIDENT-** LTG Water Supply Corporation,

EPA – We, with the engineers at KSA, created a timeline for completion of the Arsenic Reduction Project that the EPA did accept. This was a condition of getting the 2021 arsenic fine reduced from \$30,000 to \$5,000. Another condition of the fine reduction was that we continue to make forward progress in the Arsenic Reduction Project. We have not had any setbacks and are on track.

USDA- We have not begun using USDA loan funds yet but expect to later this year. A condition of us using the USDA loan is that we have our office facility compliant with the Americans with Disabilities Act. Some minor changes have already been made but there are wheelchair accessibility actions that need to be completed.

Drought Contingency - We will be updating our Drought Contingency policy this year to be compliant with City of Waco, a contingency of using Waco water. This is to be compliant with, not controlled by. We are tailoring it to meet our community's conditions.

Bode Plant - The plant on Bode Rd experienced 2 failures this year. In July we had a pump failure that resulted in the Pump, Motor, and Casing needing to be replaced. That was completed and insurance coverage helped financially, and we were able to pay the rest of the bill with money in an equity account. In November the new pump failed and was replaced. The pump was covered by warranty.

Lead and Copper - The TCEQ is requiring a lead and copper study to be done on all our members' meters. This consists of investigating the use of lead in the lines to the meters on the supply side. We have until October 2024 to complete. We have already begun the inspections.

Field Manager – We have hired a new field manager, Chet Oszust. He has replaced Roy Davis. Roy resigned at the end of last year.

**OFFICE MANAGER REPORT** - In 2023 there were 15 new memberships.

All Reports that are required by the EPA, PUC, TCEQ & TWDB throughout the year plus a few extra reports, all were completed and submitted on time and accepted. Along with a few surveys that I participate in to receive free reports from various agencies.

We had our TCEQ inspection this year. All went well. We passed with a few suggestions on our flushing logs and 2 small repairs for a flip needing to be sealed and an exhaust fan that just went out. These were all taken care of.

New this year: preparing for a Lead Service Line Inventory that is required and must be completed in 2024. A request to mark power poles along heritage parkway and through some of Leroy, Mrs. Delgado mapped the location of each pole, so Mr. Davis & Mr. Oszust could mark the water lines from the GPS map. TxDot will start a project on heritage pkwy to widen the road from Leroy pkwy to HW31. Mapping and GPS coordinates were also done on these to locate lines & meters.

Water samples are done quarterly and sent to a Texas State Lab for testing. We had 4 Arsenic Violations in 2023 that were over the EPA compliance level of .10 MCL. Public notices of the Arsenic levels are done quarterly and can be found on the website along with the yearly Water Quality report.

I would like to ask that members please visit the website and sign up for the alerts. The alert system is a more instant way to get the information to you by using text messaging and your email. Alerts sent to you may have information on them like; your water pressure may be low listing the location along with boil water notices and the rescind notices. We also send an alert when our drought contingency stage starts and as the stages change through the summer months. These notices will have what stage we are in, along with the target to achieve through restrictions for reducing the demand for water being used. These will change depending on the stress it causes the Wells.

I would also like to remind members of our on-line payment services through the website. It will let you view your monthly balance every month through a text or email and if you choose you can make payments. This will not stop your bill from being mailed.

**FIELD MANAGER REPORT**– Good evening, everyone- My name is Chet Oszust. You may have seen me driving my red truck throughout the community and wondered who this maybe. Well wonder no more I'm the new Field Manager; recently hired in October 2023. I can assure you I'm being taught by the best and that I'm learning quickly my duties and responsibilities to ensure I'm supporting our community.

The total number of work orders in 2023 was 457.

I'm on the Design and Materials Specs Committee; responsible for ensuring we at LTG Water establish standards for developers who are building new homes in our service area. This would be ensuring standard size distribution lines are installed along with the placement of flush valves, and water meters/boxes.

We are also establishing an Inventory System utilizing current Billing System software that will both save us money and provide an accurate accountability of supplies needed and used to keep our water system running smoothly. If you would like please feel free to pick up one of my business cards in the back, in case you would like to notify me of any water issues.

**FINANCIAL MATTERS REPORT**- Mr. Simcik went over the 2023 end-of-year accounting sheets and the P&L report. Went over the ARPA funding that has been appropriated to the Engineering work associated with the remediation of arsenic. An account has been designated to be used for the Lead Service Line Inventory costs required by the EPA. We received more funding from ARPA designated for a generator. Went over the USDA-RD loan information from the 2023 payments after paying off an existing loan. Mr. Simcik went over how the Board calculated the Base Rate using a TRWA calculation estimator. Mr. Simcik read the Operating Budget for 2024.

**OPERATIONS REPORTS**- Bode Plant Well Replacement (July-August): Successfully replaced the Well motor, pump, pipe, and wiring in August 2023. After issues from the first attempt of install with faulty wiring.

Plant 1 8-inch Pipe Issue: Faced challenges with an 8-inch pipe developing a hole at Plant 1. Plant operations were disrupted, and significant downtime occurred while awaiting replacement pipe.

Summer Challenges: Endured operational difficulties during the summer, exacerbated by the Bode Plant issues and increased water demand.

Meter Repairs Ahead of Installation: Proactively addressing meter issues in preparation for the upcoming installation of new meters.

Persistent Power Fluctuations: Ongoing challenges with power fluctuations at various plants.

Water Repairs: The crews have tried to stay ahead of water leaks as soon as they are found, they are fixed in order of worst first and so on.

Note: Continuous monitoring and maintenance efforts are essential to ensure uninterrupted water supply and address infrastructure vulnerabilities.

**KSA ENGINEERS REPORT-** In the last year we began work on the USDA arsenic mitigation project. We have completed a LiDAR aerial survey with supplemental on-ground topographic survey and began preparation of the construction plans for the project. At present we are somewhere between 30% and 40% complete.

We have also worked to prepare the necessary monthly and quarterly project update reports to both the EPA and McLennan County. These reports will be continuing through the completion of the project.

**ELECTIONS- WHEREAS** Leroy Tours Gerald Water Supply Corporation posted notice of the opportunity for candidates to submit applications to run for three positions on its Board of Directors pursuant to Texas Water Code Section 67.0052(b); and

WHEREAS only three people submitted applications for these open positions, thus creating an unopposed election for each position pursuant to Texas Water Code Section 67.0055.

NOW, THEREFORE, BE RESOLVED THAT THE BOARD OF DIRECTORS OF LEROY TOURS GERALD WATER SUPPLY CORPORATION DECLARES ELECTED TO THESE POSITIONS:

DON RAMSEY, PATTY SYMANK & STEPHEN SYMANK

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

Passed and approved on the 14<sup>th</sup> day of December 2023

The Directors were introduced and if no objections declare them as board members to assume the position of directors immediately.

**CLOSING COMMENTS BY PRESIDING DIRECTOR-** There are less in attendance than in the last couple of years. But Mr. Polansky appreciates your interest in what we have going on in the water company. The progress that we are making doesn't look like a whole lot now, but it is all the pulmonary stuff being done. We are still on track to get done by the end of 2025.

**ADJOURNED-** Mr. Simcik moved to adjourn the meeting. Mrs. Beuerlein seconded the motion. The motion carried. The meeting was adjourned at 7:41 P.M.

Robert Polansky, President \_\_\_\_\_

John Simick, Secretary/Treasurer \_\_\_\_\_