

PRITCHETT WATER SUPPLY CORPORATION
3670 STATE HWY 155 SOUTH
GILMER, TX 75645
903-734-5438

MONTHLY BUSINESS MEETING
BOARD OF DIRECTORS

Minutes

DATE: Tuesday, September 17, 2024
TIME: 6:00 p.m.
LOCATION: Pritchett Water Supply Corporation
3679 State Hwy 155 S
Gilmer, TX 75645

Directors Present: Danny Weems, George Stevenson, Lisa Sneed, Josh Marrs, Ken Reagan
Sherri Heckendorn & Russell Washburn

I. Call to Order

Mr. Marrs called the meeting to order & Mr. Weems opened in prayer.

II. Acknowledgement of Members and Guests

Mr. Marrs welcomed the members & guests.

III. Citizen's Comments

Richard Vaughn stated that he has lived here approximately 20 years and during that time there has been continuous turmoil. His neighbors, friends and other members are grateful & pleased with management & the job that PWSC is doing. They are blessed to have this type of service & wanted us to know he thinks we're doing a great job.

IV. Approval of Minutes

August 20, 2024.....Ms. Heckendorn stated that we listed member's names on the forfeitures and had redacted names elsewhere. She moved to remove member's names & use the customer's number, Mr. Stevenson seconded, no action was taken. Mr. Reagan wanted it noted that Mr. Meador had spoken to Mr. Campbell & Mr. Marrs before signing the check to TCEQ. Ms. Heckendorn moved to approve the minutes with the amendments of removing member's name & note that Mr. Meador had spoken to the President & VP before signing the check, Mr. Reagan seconded & the motion carried.

September 3, 2024.....Ms. Heckendorn wanted the statement that she was somewhat baffled amended, she didn't believe it explained why she was baffled. A formal "policy" should be changed to "document of procedure" on requesting public information. And, the office email "only" be used prior to the "change". Mr. Stevenson moved to approve the minutes as amended, Ms. Heckendorn seconded & the motion carried.

V. Committee Reports

Board Policy Committee met but will be addressed later in the meeting.

VI. Budget and Financial Statements

Ms. Heckendorn & Mr. Reagan wanted the TCEQ fines moved out of miscellaneous expense to a new chart of account listed as Penalties/Fines, just a reclassification.

Mr. Stevenson asked if a line item had been amended for the 20 yrs. Master Plan, which the budget committee has not addressed this yet.

Mr. Reagan had noticed a decrease in cash from last year & was wondering if this was a trend. It was determined as long as we continue to do upgrades to the system, such a Data Flow, the cash maybe seen to decrease.

Ms. Heckendorn asked if Mr. Reagan had signed all the checks listed, which he answered that he had.

VII. Manager's Reports

A. FYI-Miscellaneous Reports not Requiring Board Approval.....

Equipment and Vehicles.....

Employees.....

Plant/Well Maintenance.....Mr. Stevenson asked about the generator for Plant #1B, of which it's at the electrician's yard being prepared for installation. Gray Electric is wrapping up with Data Flow before installing the generator & the transfer switch here at the office.

Data Flow & Electrical.....Mr. Meador updated Date Flow....we have 4 sights remaining with one scheduled for the upcoming week.....

Transfer Switches for Plant #20/Office.....

Enforcement Letter from TCEQ.....We've not received the signed agreed order back from TCEQ since we signed & sent it in over 30 days ago. The timeline supposedly starts when TCEQ signs the order.

20 Yr. Master Plan.....

TCEQ Conference in Austin.....

Mr. Stevenson moved to approve the bills as paid, Mr. Reagan seconded & the motion carried with Ms. Heckendorn abstaining.

No forfeitures.

Water loss is a little high, sales are a little down for August.

VIII. Old Business

Drought Contingency.....

Michael Wilson commended the board & staff for finally giving the membership an opportunity for public review & comments, moving forward to approve a plan. However, in his review of the plan, he found that the plan refers to the State Statute 30 TAC 291.41(j) as the authority for charging a "reasonable penalty" for failure to comply with the water restrictions imposed by the plan, and this statute no longer exists. Therefore, he urged the board to delay approval until this error is corrected.

LaNeta Jeter.....Has a real big problem with this document. She stated that several years ago a policy was promised that Pritchett WSC would not add new members to a line until they could adequately give the new members water usage without risking the present members. She stated that out of her neighborhood, her neighbors had not seen this document, & believed it should be mailed to everyone. She also said that "drought" was not defined and during a drought we would need more water than normal times. She questioned the population, how many people on the system, adequate wells & storage and emergencies. Ms. Jeter's idea during a National Emergency is to get her family out of the Metro Plex to here, and her water consumption would double. Regulations are another issue. Different stages of penalties are not

defined, and she didn't believe the plan made any sense. She was baffled and mad over this whole stinking plan.

Dennis Myrick.....felt like the violations in the plan were abusive and the whole plan was abusive.

Mr. Meador stated that the primary goal is more of a water conservation for members during emergency situations with public awareness. Mr. Washburn moved to table until the committee could look at the law & members concerns, Mr. Weems seconded & the motion carried. It was also suggested to have a couple of members on the committee.

Maintenance of Plant #5.....Mr. Meador has reached out to 5 entities & still only has 1 bid. Mr. Weems moved to resend the bids with uniform specifications, Ms. Sneed seconded & the motion carried.

Non-Standard Application on Holly Rd.....an estimate of probable cost offsite & onsite was presented to the board from Hayes Engineering, Ind. For a new sub-division of 19 lots off Holly Rd., owned by Gessika Whitsett/Little Harlem, LLC. The total estimate of probable cost to the developer is \$397,230.00. The developer has been working with Brent Swanner & Jack Jones. Mr. Reagan moved to approve the Non-standard sub-division, Ms. Heckendorn seconded & the motion carried with Ms. Sneed & Mr. Stevenson abstaining.

IX. New Business

The first portion of the 20 yr. Master Plan is to fix compliance issues, Mr. Meador presented a 2024 Water Main Improvements Predesign Estimate of Probable Project Cost, with 2 compliance projects & Plant #17. Plant 24 is a compliance issue, Plant #10 has been written up but not under a compliance order. Ms. Heckendorn moved to accept the plan & get us in compliance. Ms. Heckendorn rescinded her motion. Mr. Stevenson moved to address the first 2 (Plant #10 & #24) as soon as possible to get it done, the 3rd. project we will develop a plan of action, Mr. Weems seconded & the motion carried.

Mr. Stevenson moved to find a way to shorten the meeting. Mr. Washburn is not in favor of having 2 meetings. Maybe have better presentations & don't spend time bickering. Mr. Meador will explore possibilities to trim up the meetings. The motion died for lack of a second.

Mr. Marrs would like to see us set up an audio/visual recording with a secure type of storage. Mr. Weems moved to allow Mr. Meador to reach out to vendors & see what's there, legal ramifications & a turnkey deal with training, Mr. Washburn seconded & the motion carried with Mr. Stevenson abstaining.

Mr. Washburn moved to table posting the meetings to social media until the recordings are investigated, Ms. Heckendorn seconded & the motion carried.

Board Policy Committee met to update the board packets & public comment policies. Mr. Marrs stated it would be put on the next agenda giving time to review the changes before approving.

Mr. Reagan moved to accept the volunteer member, Emily Roberts to serve on the Credentials Committee, Ms. Heckendorn seconded & the motion carried with Mr. Stevenson abstaining.

Mr. Weems moved to elect Josh Marrs as President, Mr. Washburn seconded & the motion carried.

Mr. Marrs moved to elect Russell Washburn as Vice President, Mr. Weems seconded & the motion carried.

X. *Next Board of Directors Meeting*

Mr. Reagan set the next meeting for Tuesday, October 15, 2024, 6:00 p.m. at the office location.

XI. *Adjourn*

Ms. Heckendorn moved to adjourn at 8:00 p.m, Mr. Reagan seconded & the motion carried.

***Minutes taken by
Cindy McMillan***

***Minutes approved with spelling corrections
October 22, 2024***