

**EAST CEDAR CREEK FRESH WATER SUPPLY DISTRICT  
MINUTES FOR WEDNESDAY MAY 20, 2020 12:30 PM**

1. A meeting of the Board of Directors for East Cedar Creek FWSD was held at the Administration building in Gun Barrel City, Tx on May 20, 2020. The meeting convened at 12:30pm, Vice-President Allen Brier presiding.
2. Pledge of Allegiance.
3. Member present in person were Vice – President Allen Brier, Director Jim Willi, and Director Larry Bratton. Members present by video/teleconference phone were President Harry McCune, Treasurer Ted Bayless, and Director Jan Wynn. Absent was Secretary Joe Lomonaco. Other Attendees in person were General Manager James Blodgett, and Office Manager Angie Crowsey. Other Attendees by video/teleconference phone was David Perkins/KSA Engineers and Ashlee Sawyer/The Monitor.
4. A quorum was established.
5. Motion was made by Mr. McCune and seconded to adopt the Agenda. Motion carried unanimously.
6. **Discuss and/or take action to approve the minutes from the Regular meeting on April 15, 2020.** Motion was made by Mr. Willi and seconded to approve the minutes from the Regular meeting on April 15, 2020. Motion carried unanimously.
7. **Public Comments.** There were no public comments.
8. **Consent Agenda:** The Board requested that under the KSA Engineer's Report item a(iii), and under the General Manager's Report items b(ii) and b(v) be removed for discussion.
  - a. KSA Engineer's Report
    - i. Task Order #24 General Services
    - ii. 2017-2018 Bond Projects.
      - 1) Task Order #31 300K Gal Storage Tank. 2) Task Order #32 SWWTP Improvements. 3) Task Order #33 BWTP Raw Water Pump Station Improvement (**COMPLETED**). 4) Task Order #34 Lift Station #19 (**COMPLETED**). 5) Task Order #35 Meter Replacement (AMR).
    - iii. Task Order #38 - Leisure land Low Pressure Sanitary Sewer.
  - b. General Manager's Monthly Report.
    - i. Key Monthly Activities.
    - ii. Staff Changes
    - iii. Work Orders.
    - iv. Project Status
    - v. Operations Report.

**Without objection, the board discussed items removed from the consent agenda.**

**8.a(iii) Task Order #38 – Leisure Land Low Pressure Sanitary Sewer.** The Board requested an update on the status of this project. Mr. Perkins advised that they have sent the documents to the County for the addition of Cawthon Lane for this project. The Board asked why we had added Cawthon Lane and it was advised that this was what was brought to the Board in a special Meeting held on March 30, 2020. Ms. Crowsey read the minutes for this item from that meeting. It stated that “the Board discussed the project and Mr. Goheen (previous General Manager) advised that there is interest from potentially six (6) to seven (7) residences to pay frontage fees at \$10 per foot and that only one customer is committed to the install and has been in need of it for about four years and could not afford to pay for it by herself”. Ms. Crowsey also read that “It was noted that KSA Engineers did the design and it is designed for future build out”. Mr. Blodgett advised that currently the one customer mentioned has been in contact for costs and the staff has meet with her about the install. The Board discussed Leisure land POA's down payment and noted that they are now slightly in the negative on their portion of the project for funds. Mr. Blodgett has been in contact with the Leisure land POA about processing their next payment to the District. Mr. Blodgett advised that the contractor is almost completed with the first portion of this project and will be moving to the Cawthon Lane addition soon.

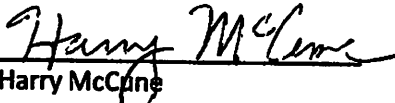
**8.b(ii) Staff Changes.** The Board discussed the staff changes and it was noted that there is one individual who should start this week and Supervisors are currently holding interviews.

**8.b(v) Operations Report.** The Board reviewed the Operations report for water, and it showed a 5% loss for the Northside but a 20% loss for the Southside. Mr. Blodgett advised that staff has been investigating the loss but have not found the issue yet. Mr. Blodgett presented the Board with a new work order report as the one in the packet was wrong. The Board requested a different format/layout for the report and Mr.

Blodgett said that the admin will make that change. The Board was advised that the contractors are still doing some of the construction on the installations but will soon be done with their portion. The Board reviewed the newest report on the top 10 users that looked to be down approximately 15%. Motion was made by Mr. Willi and seconded to approve the consent agenda. Motion carried.

9. **Discuss and/or take action to approve KSA Engineer's change order # 2 for the 300k Elevated Storage Tank Project to be paid out of the 2018 Bond project.** Motion was made by Mr. Bayless and seconded to approve KSA Engineer's change order # 2 for the 300k Elevated Storage Tank Project to be paid out of the 2018 Bond project. The Change Order was not completed before the Board meeting. The Board discussed the Change Order which was to remove the altitude valve, vault, and in-line valve for the existing water tower on Legendary. Mr. Perkins explained that originally the previous scope showed that the Legendary Lane tower would fill at a faster rate than the new water tower but when the District put water into the new tower both towers filled up at the same rate within a foot of each other therefore there is not a need for the other valve. Mr. Perkins stated that the change order should be in the range of \$30,000 or more depending on the contractors claims expense for return and restocking fees. Motion carried unanimously.
10. **Discuss and/or take action to approve the revision to the District's temporary emergency policy and procedures for the COVID-19 pandemic.** Motion was made by Mr. Willi and seconded to approve the revision to the District's temporary emergency policy and procedures for the COVID-19 pandemic. The Board reviewed the revision which included giving the General Manager authorization to extend the deferment of disconnects for non-payments for 30 days for up to two months. It was noted that when the District starts to perform disconnects that they will contact customers with a past due amount to offer flexible payment plans. The District plans to notify these customers by mail, email, and the automated phone call out system. Motion carried unanimously.
11. **Discuss and/or take action to approve to transfer \$262,645.01 from Bond Interest and Sinking CD into Operation Reserve account to pay the bond debt payments due on July 1<sup>st</sup>, 2020.** Motion was made by Mr. Bayless and seconded to approve to transfer \$262,645.01 from Bond Interest and Sinking CD into Operation Reserve account to pay the bond debt payments due on July 1<sup>st</sup>, 2020. Motion carried unanimously.
12. **Committee Reports.**
  - a. **Personnel Committee.** Mr. Bratton advised the Personnel Committee did receive a proposed draft with changes to the Employee Policy Manual from the Administrative staff but wants to hold off on having a committee meeting to review the changes until it can be done with the full committee fully present in person. Ms. Crowsey advised that there were no critical/legal changes so the extension would not cause a problem.
  - b. **Operations Committee.** The Operations Committee had no report.
  - c. **Finance Committee.** Mr. Bayless advised that the Finance Committee Board had met with the District's financial advisors Andre Ayala and Jim Sabonis with Hilltop Securities to review options of refinancing old bonds at the current low rates. These options would consolidate old debt that were financed at a higher rate with current low rates. After reviewing the options the refinance savings were not a great benefit to the District. Mr. Bayless explained that Mr. Ayala will be submitting monthly reports to the Administrative to review for possible refinance as the market changes. The District does not plan to refinance at this time but will continue to review the reports from Hilltop Securities as well as their recommendations and if there are any changes that would benefit the District then Management will request a Finance Committee to review again.
13. **Review and discuss the April 2020 financial reports.** The Board discussed the April 2020 financial reports. April's financials show an approximate \$40,000.00 decrease in revenues and it is noted that there were several factors that may have caused this in which COVID-19 is the main factor. The District had budgeted for an increase in rates effective April 1, 2020 but had voted to defer the increase until a later date but the expenses were budgeted based on the scheduled increase, the top 10 water users (some restaurants) have decreased their normal usage for this time frame, and it was a wet month so less customers use for irrigation.

14. **Discuss and/or take action to approve the payment of bills.** Motion was made by Mr. Willi and seconded to approve the payment of bills. Motion carried unanimously.
15. Motion was made by Mr. Willi and seconded to adjourn. Motion carried unanimously. The Board adjourned out of the meeting at 1:34pm.

  
Harry McCune  
Board President

06/17/2020  
Date