

# Possum Kingdom Water Supply Corporation

1170 Willow Road  
Graford, Texas 76449

Possum Kingdom Lake  
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## Board of Directors Regular Meeting 10:00 A.M. Wednesday, April 19, 2023

### MINUTES

**1. Call to order, roll call and establish quorum**

The meeting was called to order at 10:00 AM and a quorum was established.

Jay Naylor was absent from meeting.

**2. Welcome and recognize visitors and guests**

Kathy Williams from Snow Garrett Williams to present Financial Audit for PKWSC for Year Ending 2022

**3. Consent Schedule**

- a. Approval of minutes from March regular meeting
- b. Approval of Treasurer's report and payment of bills for March

Motion to approve March meeting minutes and March financials by Mike Patton, second by Dale Bankhead. Motion approved.

**4. Kathy Williams, Audit Partner at Snow Garrett Williams, to Present Financial Audit for Year Ending 2022.**

Kathy Williams was running late. Skipping to Item 5 and will come back to this item once Kathy arrives.

**5. Discussion and Potential Approval of New Cleaning Service for PKWSC Office.**

Tom Labbe, General Manager, presented the two proposals received for cleaning services. Tom mentioned that both proposals present a potential conflict of interest as both persons who submitted proposals are related to employees with PKWSC.

Board discussion regarding other potential cleaning services and recommended that PKWSC General Manager and Staff continue looking for potential cleaning services. Randy Burdick to provide contact information for the cleaning services he uses.

Motion to table this item and continue looking for additional cleaning services by Stacy Urban, second by Monty Jasper. Motion approved to table this item and for General Manager and PKWSC staff to contact additional cleaning services

for bids/proposals. Recommended by board of directors to also cancel current cleaning services due to conflict of interest with PKWSC staff and relationship with cleaning service.

**4. Kathy Williams, Audit Partner at Snow Garrett Williams, to Present Financial Audit for Year Ending 2022.**

Kathy Williams, Partner with Snow Garrett Williams, presented the financial audit for PKWSC for year ending 2022. She reviewed the income, assets, expenses and debts with the board. Kathy also presented the letter stating that the 2022 Financial Audit was clean and free of any issues. Kathy made mention that the PKWSC staff should develop procedures for adjustment for journal entries to have the proper documentation, the General Manager sign off on all AJEs, and have the Treasurer review and sign all AJEs. Kathy also completed and is ready to file the Possum Kingdom Water Supply Corporation 2022 Tax Return.

**6. Discussion and Appointment of Credentials Committee, HR Committee, Budget Committee and Executive Committee for 2023-2024.**

Sue Cathey, Board President, provided a handout to all board members indicating the proposed committee assignments and committee responsibilities. Sue also discussed each of the committee responsibilities and opened the floor for discussion and feedback. There were no objections to the proposed committees and responsibilities.

Executive Committee Appointments – Monty Jasper (Chair), Rosendo Ferrer and Dale Bankhead

Budget Committee Appointments – Mike Patton (Chair), Randy Burdick, Stacy Urban

HR Committee Appointments – Jay Naylor (Chair), Stacy Fulford, Rosendo Ferrer

Credentials Committee Appointments – Mike Patton (Chair), Monte Land, One other director to be determined at later date closer to Annual Meeting Procedures

All appointments were made with consensus of the board members being appointed to positions.

**7. Discussion and Potential Approval to Support Cross-Timbers Regional Utility Authority.**

Sue Cathey, Board President, presented the Cross-Timbers Regional Utility Authority letter and proposal from State Rep Glenn Rogers. Sue Cathey indicated that her and Rosendo Ferrer attended a meeting which further discussed this proposal and received a copy of the draft bill which could be distributed to any member requesting to review the draft bill. Sue Cathey also

presented the board with a Letter of Support for the Cross-Timbers Regional Utility Authority.

Motion to approve and support the Cross-Timbers Regional Utility Authority made by Mike Patton. Second by Dale Bankhead. Motion approved.

**8. Discussion and Potential Approval of Amendment to a Resolution and Investment Decision passed in March 2023.**

Sue Cathey, Board President, provided an update on the filings of PKWSC Investments based off information received from Hilltop Securities and how PKWSC was required to move investment monies out of TexStar accounts. Procedural steps had been enacted to transfer monies from TexStar to TexPool as the fund organization assured PKWSC Board Member(s) that the company investments qualified. Unfortunately, after further evaluation, PKWSC was not allowed to invest in TexPool due to same IRS regulations as indicated for the TexStar accounts. Hilltop Securities along with Board members determined that the best course of action was to move investment funds to the JP Morgan Government Investment Funds.

As the PKWSC Investment Policy allows for such investments, Sue Cathey presented an Investment Policy Resolution which replaces the Resolution passed on March 11, 2023.

Motion to approve the updated Resolution for PKWSC Investment Policy by Mike Patton. Second by Rosendo Ferrer. Motion approved.

**9. Discussion and review of the Manager's Report**

Tom Labbe presented the Manager's Report and discussed activities:

- Meter Installs Pending – 7
- Meter Installs Pending Paperwork/Payment – 1
- Transfers Pending - 10
- 67 RPZA inspections to complete.
- TRWA out brief discussion about the different break out sessions attended and the information presented at each session. Overall message from all break out sessions attended was to invest in your staff/people with training and development opportunities to grow your people and retain them.
- TRWA District 1 Director, Mark Gardenhire, General Manager Fort Griffin SUD, sought me out to discuss becoming the Alternate Director for District 1 at the TRWA level. This was through recommendations of other TRWA staff as well. Working with TRWA staff and other district directors to understand time commitment and what all involvement requirements would be added to current job function.
- NexBill Pay implementation of paperless billing. This will allow all members to sign up for paperless billing through NexBill Pay and receive emails or texts regarding their water bill. Cost is a one-time fee

of \$300 to RVS for software integration. For each member who signs up, the cost will be ten cents for NexBill Pay to send out statement vs sixty cents for PKWSC to send out postcards.

- Working with Biggs and Matthews engineering firm out of Wichita Falls on full engineering support for PKWSC going forward. Kerry Maroney, owner and CEO, has been very engaged and is working with us to gain a full understanding of the PKWSC system and will provide an engineering support proposal in the coming weeks. Starting conversations with Jacob Martin engineering firm. Met them at TRWA Rural Water Conference.
- Plant Water System design is with Billy Martin and Executive Committee for review and comments. Once comments are received, and any changes incorporated, eHT will issue proposal for bid for contractors to provide full-service bidding.
- Price Surveying is working to complete a drawing of requested potential expansion of easements. Waiting on preliminary drawing to be complete in order to take to BRA.
- TRWA Technical Conference, Galveston, TX, July 12-14.
- TRWA Office Professionals Conference, Frisco, October 5-6.

**10. Discussion of any items of interest, including topics for future board meetings**

Sue Cathey, Board President, discussed additional information regarding SUD vs WSC which Kevin Van Duser had brought up at the Annual Meeting. Sue recognized Kevin for his work and efforts to bring information to the Board of Directors.

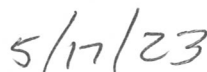
Sie Cathey, Board President, provided a brief update on the Maverick Ranch development as information only. A Timeline of events has been generated and Sue mentioned that there has been no further discussions with any representative of Maverick Ranch since November 2022.

**11. Establish time, date, and location of the next meeting of the board – proposed for Wednesday, May 17, 2023 at 10:00 AM at Possum Kingdom Water Supply Corporation Office, 1170 Willow Rd, Graford, Texas 76449**

**12. Adjourn**

Meeting was adjourned at 11:37 AM. Motion to adjourn by Dale Bankhead. Second provided by Stacy Urban. Motion approved.

  
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Mike Patton – Secretary / Treasurer

  
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Date