

FINANCIALS

4. Janine Pruski advised the Board of Directors that the April financials are ready but that she has not received financials for the months of March and May. Since no financial statements were provided no action was taken by the Board of Directors.

RAWS OPERATIONS UPDATE

5. President David Wishard and Paul Pilarczyk, Engineer for the Corporation, provided an update on the water supply for the Corporation and the current operations and stated that RAWS water supply is in compliance with TCEQ guidelines.

UPDATE ON REPLACEMENT CHLORINATOR PUMP

6. Mr. Fernan advised the Board of Directors that a new chlorinator pump had been purchase and installed as well as the Liquified Ammonium Sulfate Injector and that the chlorine conversion by the Nueces County Water Control and Improvement District No. 3 would end on June 5, 2020.

CANDIDATES FOR VACANT BOARD OF DIRECTORS POSITIONS

7. Mrs. Bond advised the Board of Directors that she had received seven (7) applications for the vacant Board of Directors positions. Upon motion by Debbie Bond and second by Janine Pruski the Board of Directors extended the date to receive applications for the vacant Board of Directors positions to 5:00 p.m. on June 25, 2020.

STAFFING OF OPEN FIELD TECH POSITION

8. Mrs. Bond advised the Board of Directors that she had received ten (10) applications for the position of Field Tech for the Corporation. She advised the Board of Directors that she would have a recommendation next week. After discussion no action was taken by the Board of Directors on the staffing of the open Field Tech position.

OUTSOURCE MANAGEMENT AND OPERATIONS

9. Debbie Bond provided information to the Board of Directors on six (6) companies that provide personnel to manage and operate organizations like RAWS. After discussion Mrs. Bond advised the Board of Directors that she would have a recommendation for their consideration next week.

AUTO FLUSHERS

11. John Fernan and Paul Pilarczyk advised the Board of Directors that they are waiting on installation costs for the new auto flushers. Mr. Fernan recommended purchasing and installing four (4). He will make a specific recommendation next week.

KEY, ATTENDANCE AND CASH CONTROL

12. John Fernan discussed with the Board of Directors rekeying the office, storage facility, ground storage tanks with the president of the Board appointing a key and lock custodian to provide keys on a long term and short-term basis.

Debbie Bond discussed with the Board of Directors office security and cash controls with a recommendation for action to be provided next week.

SELECTION OF FORENSIC BOOKKEEPER

13. Janine Pruski advised the Board of Directors that she was working with an individual to provide forensic bookkeeping services to the Corporation. After the individual has gone through the existing books and records Mrs. Pruski will make a recommendation on retaining the individual.

PROJECTED RATE INCREASE

14. Paul Pilarczyk and David Wishard discussed the rates that RAWs has to charge to amortize its debt with the Texas Water Development Board. The rate must cover the debt service and any unforeseen circumstances. Mr. Wishard directed Mr. Pilarczyk to obtain the rate study compiled by the Corporation's financial advisor, Mr. Andrew Freedman for the initial Texas Water Development Board loan for review and comment next week.

FUNDING OF THE AUTOMATED WATER METER PROJECT

15. After discussion of the purchase of automated water meters and the installation in the three (3) capital improvement projects as well as the remainder of the distribution system, the Board of Directors, upon motion by Debbie Bond and second by John Fernan, agreed to purchase and install automated water meters at an estimated cost \$275,000, with the funds to be taken out of the RAWs reserve account.

EXECUTIVE SESSION

16. Recess Open Session and Convene Executive Session: At 7:12 p.m. Mr. Wishard announced the Corporation would go into executive session pursuant to §551.074 of the Texas Government Code, to deliberate agenda item 16.a. which was described in the agenda as follows:

- 16.a. Appointment, employment, evaluation and duties of the System Operation Manager. (Section 551.074 of the Texas Government Code).

RECONVENE IN OPEN SESSION

17. At 7:27 p.m. the President reconvened in Open Session. The Board took no action on the matters deliberated in Executive Session.

ACTION TO RECOVER INSURANCE PROCEEDS

18. Roy George discussed action the current Board of Directors can take with regards to the ongoing law enforcement investigations that were initiated prior to the Current Board being elected, including possible action to recover insurance proceeds and/or restitution. Upon a motion by Debbie Bond and second by David Wishard the Board of Directors established a Liaison Committee composed of Roy George, Kathy Vinson and Derbra Richter to work between the Board of Directors and law enforcement as well as the insurance provider for the Corporation.

LIAISON BETWEEN THE BOARD OF DIRECTORS AND THE CORPORATION'S INSURANCE PROVIDER

19. After discussion, upon motion by Debbie Bond and second by David Wishard, the Board of Directors authorized Kathy Vinson to work on behalf of and under the authority of the Board of Directors to supply information to the RAWs insurance provider to perfect a claim or claims for misappropriation of funds and to act as liaison between the two with responsibility to keep the Board informed on the status of the claim/claims on a weekly/monthly basis.

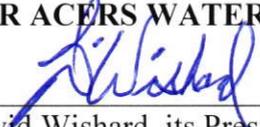
DIRECTOR'S COMMENTS

20. Mr. Wishard asked for comments from the Directors.

ADJOURNMENT

21. As there was no further business to come before the Board of Directors, a motion was made by John Fernan and seconded by Roy George and approved to adjourn.

RIVER ACERS WATER SUPPLY CORPORATION

By  7-16-2020
David Wishard, its President

ATTEST:


Janine Pruski, its Secretary