

UPDATE BY NUECES COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 3

5. Hector Benavides with the Nueces County Water Control and Improvement District No. 3, (the "District") provided an update on the District managing the field operations for RAWS. Mr. Benavides stated that there were no after hours calls, no large issues and no water leaks the last two weeks. He stated that they had installed Erica Baker's water tap on October 5, 2020. He also indicated that the installation of the new smart meters would begin tomorrow and that notice had been provided to those who will be affected. He stated that the Quail Valley project was experiencing delayed as a result of action taken by Nueces County.

AFTER HOURS CALLS

6. Hector Benavides advised the Board of Directors that there had been no after-hours calls the past two weeks.

ENGINEER'S REPORT

7. Paul Pilarczyk, engineer for the Corporation, advised the Board of Directors as follows:
- a. The Corporation is putting driveways affected by the water line project back as they were before the project commenced.
 - b. The contractor is mobilizing to begin the Quail Valley project, but there are delays as a result of Nueces County starting a paving project in the same area at the same time.
 - c. The contractor is mobilizing to begin the installation of the new smart meters beginning tomorrow.
 - d. The Professional Services Agreement with Hanson Professional Services, Inc. has been approved but not signed.

BRENDA ZIMMERMAN UPDATE

8. Brenda Zimmerman, Office Co-Manager, provided an update to the Board of Directors as follows:
- a. Is reviewing accounts and finding that some account statement have been held back since June.

KAYLEE REED REPORT

9. Kaylee Reed, Office Co-Manager, provided an update to the Board of Directors as follows:
- a. Most problems are construction problems.
 - b. RAWS has a receivable problem. Need to develop policy to deal with receivables.
 - c. RAWS has a deposit and membership fee problem that needs to be reviewed and resolved.
 - d. The RVS and Quick Books systems are working well together.
 - e. Goal is to have accurate financials.

BUDGET

10. After discussion upon motion Jeff Holley and second by Ron Hellberg the Board of Directors established a Budget Committee consisting of Janine Pruski, as Chair, and Jeff Holley along with Brenda Zimmerman and Kaylee Reed to prepare a budget for fiscal year 2021.

CREDENTIALS COMMITTEE

11. The presiding officer, Mr. Wishard, appointed Janine Pruski and Jeff Holley to the Credentials Committee. In accordance with the Bylaws for RAWS a third member of the committee will be appointed from the membership at the first meeting in November.

RATE AND TARIFF STUDY

12. After discussion the Board of Directors directed Brenda Zimmerman and Kaylee Reed to survey water providers within a thirty (30) mile radius of RAWS to provide information to the Board of Directors to address rates and tariffs for RAWS.

WATER LOSS

13. Staff reported to the Board of Directors that the water loss for RAWS in September was 64%. Staff is working to confirm the amount and cause of the loss.

DELINQUENT ACCOUNTS

14. Staff advised the Board of Directors that accounts delinquent 1 to 60 days totaled \$114,250.01 on October 9, 2020. The sum of \$21,870 is delinquent 61 plus days. Staff will work with legal counsel to promulgate a policy on handling delinquent accounts.

DEBT RE-FINANCE COMMITTEE

15. The presiding officer, Mr. Wishard, appointed himself along with Brenda Zimmerman and Kaylee Reed to explore re-financing the debt that RAWS has with the Texas Water Development Board.

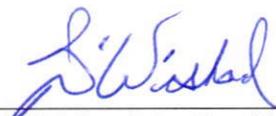
DIRECTOR COMMENTS

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

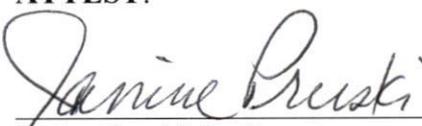
ADJOURN

17. 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 
David Wishard, its President

ATTEST:


Janine Pruski, its Secretary