

**MINUTES OF THE BOARD OF DIRECTORS
OF THE DALLAS COUNTY PARK CITIES
MUNICIPAL UTILITY DISTRICT
HELD 9:00 A.M., TUESDAY, FEBRUARY 14, 2023
AT 1811 REGAL ROW, DALLAS,
DALLAS COUNTY, TEXAS**

**ITEM I
ADMINISTRATIVE PROVISION
V.T.C.A §49.100**

1. NOTICE OF MEETING. §49.063

The notice of the meeting was posted, Tuesday, February 7, 2023, at 10:00 a.m. and remained posted until Tuesday February 14, 2023 at 12:00 p.m.

2. MEETING CALLED TO ORDER §49.064

The meeting was called to order by Mr. Jamie Cornelius, President of the Board of Directors.

3. ROLL CALL

Directors Attending

Jamie Cornelius, President
Neil Harris, Vice President
Mike McKenzie, Secretary
John Wagner, Director
Jack Denman, Director

Others Attending

Hector Ortiz, General Manager
Brent Jordan, Systems Analyst
Trey Wimpey, Instrument Tech I

4. CONSIDER MINUTES OF PREVIOUS MEETING(S) §49.065

A regular meeting of the Board was held on January 10, 2022. A draft of the minutes of this meeting was included in the agenda folders for consideration by the Board of Directors. No changes to last month's meeting minutes were made. A motion was made by Mike McKenzie to approve the minutes. This motion was seconded by Neil Harris. All directors voted aye.

**ITEM II
POWERS AND DUTIES
V.T.C.A. §49.200**

**ITEM III
FISCAL MATTERS
V.T.C.A §49.300**

1. DISCUSSION ON DISTRICT USE OF DALLAS WATER DURING WINTER 2021

Hector Ortiz noted that he left a voice mail for Tom Tvardzik but has not heard back. Will try to contact by e-mail.

2. DISCUSSION ON DISTRICT'S BUDGET

Hector Ortiz presented revisions to the FY2023 budget to reallocate funds from the High Service Pump Replacement project to other priority projects. High Service Pump #4 is currently being reconditioned which will result in over \$500,000 in savings. This pump was found to be in adequate condition so there is no need to replace it. The Board agreed to reallocate the funds to high priority projects.

Hector Ortiz, Brent Jordan and Trey Wimpey presented the CapEx plan. Jamie Cornelius asked that a note be included to explain how inflation is calculated on the sheet. John Wagner indicated that he would include the updated numbers in the rate model which he is currently developing.

3. DISCUSSION ON CONTRACTS AND RATE-SETTING METHODOLOGY

The Board discussed the recent meeting with the Park Cities. Jamie Cornelius discussed reserves (operating vs. capital) and the question as to what should be enough was asked. John Wagner discussed some recommendations and a discussion on reserve strategies was had. Hector Ortiz will turn in a final CapEx plan. John Wagner will (1) update the rate model to include CapEx plan numbers, (2) fine tune reserves, and (3) even out rates over time. Discussed future steps with the Park Cities to keep them updated.

**ITEM IV
MANAGEMENT REPORTS**

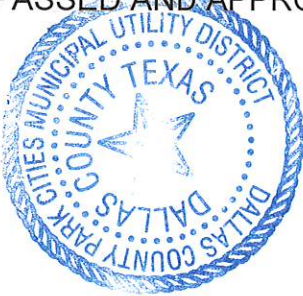
1. A status report of projects underway or completed was included in the Board packet for review.
2. A list of major invoices paid in the last 31 days was included in the Board packet for review.

3. Budget Summaries for January were included in the Board packet for review.
4. Balance Sheet was included in the Board packet for review.
5. TexPool statements were included in the Board packet for review.

**ITEM V
ADJOURNMENT**

A motion was made by Mike McKenzie to adjourn the meeting and John Wagner seconded it. All directors voted aye.

PASSED AND APPROVED THIS THE 13th DAY OF March, 2023



DALLAS COUNTY PARK CITIES
MUNICIPAL UTILITY DISTRICT

Mike McKenzie

Michael D. McKenzie, Secretary

John Wagner

James S. Cornelius, President