WOSSSC BOD Minutes meeting 10-24-15

Approved January 23, 2016

WHITEOAK SHORES SEWER SERVICE CORPORATION

MINUTES OF MEETING

BOARD OF DIRECTORS

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Date: 10/24/2015

Place of Meeting: WOS Park Office

Meeting Time: 9:00 A.M.

In Attendance: Lois Compton, President, Ed Homan, Vice President, Wanda Hammons, Secretary/Treasurer, Jerry Kennedy, Bruce Coleman, Benny Jackson and Dale Bolt.

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1. Meeting called to order by President Lois Compton.

2. President Compton declared a quorum is established. All Board Members present.

3. Motion was made by Ed Homan and seconded by Jerry Kennedy to approve the September 19, 2015 Board meeting minutes as written.

All Board members present approved.

4. Director Replacement/Email – Board voted by email to approve Dale Bolt replacing resigning Board Member Tom Belcher until his term expires in March, 2016.

5. Old Business

1. TCEQ Plant Review Update – No report. Lois Compton stated Doug Belzer with TCEQ will be on site 10/28/2015 and the Board will be e-mailed of any concerns.
2. Plant Expansion

* Fence - Tabled
* Netting – Wanda contacted several venders. James’ Awning, he was too busy. Eddie Craft with East Texas Awning came out to get measurement of the plant but will have to wait until the frame is up.
* Ground Maintenance – Tabled - Ed Homan and Lois Compton talked to Larry Roach and Esteven Lopez for gravel on the drive way and area around plant. There may be corrective issues around the dumpster area and with water flow around the plant. A retaining wall may have to be installed.
* Metal Frame for Treatment Plant – Tabled due to rain. Bruce explained he has scheduled to build the frame on October 29 to 31st. Jack Hammons will keep Bruce posted on the conditions around the plant.

1. Electricians Bid for lights at Treatment Plant – Completed - Electrician James Hopper has been paid $950.04 for lights and $90.00 to install fan in the storage building.
2. Review Information – Lois Compton informed the Board the engagement letter from Thomas R. Smith CPA from Mineola, Texas, has been signed and mailed. Mr. Smith will attend the annual meeting to give the results of the Review to the members. Review quote is at no more than $1,700.00
3. Repurpose chamber on old plant – Tabled - Will be corrected when Tony Parker and Jack Hammons has time.
4. Surveillance Signs for Treatment plant and lift stations have been posted. – Completed
5. Manhole cover riser on LeRoy Woods’ lot – Riser ordered October 7, 2015. Member Gunner Grimsley volunteered to pick up. Also noted, manhole cover on Bob Austin’s lot needs fixed.
6. Key for Steven Ricky with Lone Star Maintenance to the storage building – Completed
7. Tex Tech – Tex Tech sent final draw, was received September 15, 2015. The original invoice was sent to Holly Baker with Community Resource Group for payment on October 7, 2015. Check from the bank will be made out to WhiteOak Shores Sewer Service Corp. and Tex Tech Environmental, Inc.

Punch List given to Cleve with Tex Tech. Cleve and his team was in the park to address the Punch List on October 7, 2015.

* Due to plant design (meters are located over the V Notch), a ladder/steps are needed allowing Tony to collect the sample from the V Notch. – Cleve is changing the Meter and ladder is not needed.
* Catalysis wire/bag not connected – Corrected
* Chlorine meter still not working properly, reimbursement for chlorine barrels used.
* Plant documentation for Tony – Two sets on the plant manual was received.
* No dirt under south end and middle of treatment plan – Tex Tech corrected.
* Grounds around plant area, drainage issues – Tex Tech corrected.
* Retaining wall south of Park Office needs further work, ground has been washed out – Tex Tech corrected.
* Repairs to fence is not acceptable at road front – Tex Tech fixed but WOSSSC will have to stain.
* Additional finds
* Hose/Pipe leak in storage shed – Tex Tech corrected

Lois explained the Board needs to do a punch list to complete the expansion.

1. Frame over plant will need to be painted with oil base paint.
2. Fence to be stained. Jack Hammons will stain when weather permits.
3. New Business
4. Treasurers Report – Wanda Hammons gave the Board a copy of the Bank Balances.

Motion was made by Benny Jackson and seconded by Bruce Coleman to approve the Treasurers report as presented.

All Board member present approved.

1. Motion was made by Bruce Coleman and seconded by Jerry Kennedy to approve the 2016 Budget.

All Board member present approved.

1. Certified Letter from WOSOA Board was received by WOSSSC to conduct an audit of the books. Lois Compton explained this was already in progress.
2. LFW financial report – Tammy – see report – no monies received form WOSOA, LFW check will be ready October 27, 2015.
3. Monthly report to TCEQ from Tony – see report

1. Maintenance report – Upper & Lower stations – no report
2. Maintenance report – Pumps – Upper & Lower Stations – no report

1. Maintenance report – Treatment Plant – no report
2. Sludge removal – no report
3. Approve New Memberships – Tammy reported member Tom Belcher sold his lot to Earl Belcher.

Motion was made by Ed Homan and seconded by Jerry Kennedy to approve new member Earl Belcher.

All Board member present approved.

1. Sewer Tap Connections – Tammy – no new sewer taps
2. Thomas Smith, CPA from Mineola, Texas, spoke to the Board and audience about the financial for WOSSSC. Mr. Smith has looked at the financial statements and determined a review would be sufficient.

Mr. Smith explained the American Institute of Certified Public Accounts established guidelines for CPAs to follow when doing audits. He explained the difference between an audit and a review. First, depending on what is being looked for will determines if an audit, forensic audit or review should be done. Second, if repetitively questionable entries or suspected fraud are there, then an audit or forensic audit should be done. An audit would involve extensive investigation of the books, contracts, bank accounts, A/C Receivables, A/C Payables and all documents of the Corporation, etc. This would be an expensive task and unless looking for fraud a review would be sufficient. A forensic audit is basically rebuilding the books and everything including contracts, etc. Again very expensive, and could cost as much as $15,000.00 if you could find someone to do it. He also stated unless entries are repeatedly done it would be difficult to find fraud.

A review involves taking the books, all records and doing a financial statement, with all the foot notes and write all disclosures.

Mr. Smith has looked at the financials and so for nothing jumps out as questionable.

He also stated the bigger the company the easier for fraud.

Lois asked the Board if they had any question and Ed said he was very informative. She in turn asked if anyone in the audience had any question. No one.

1. Open Forum

Roger Johnson asked if we have two separate telephones. Lois explained the Sewer Corp has a phone and

WOSOA still has their phone.

Roger asked did the WOSOA Board request any refund from the $16,000.00 invoice. Lois said no.

1. Next Meeting – January 23, 2016
2. Motion was made by Ed Homan and seconded by Benny Jackson to adjourn the meeting.

All Board member present approved.

Respectfully submitted,

Wanda Hammons - Secretary