

RED RIVER AUTHORITY OF TEXAS
Regular Board of Directors Meeting
Meeting Minutes
January 21, 2026

The Red River Authority of Texas Board of Directors held a regularly scheduled meeting on Wednesday, January 21, 2025, at 9:00 a.m. The meeting was held at the Authority's Administrative Offices located at 3000 Hammon Road, Wichita Falls, Texas.

The meeting was open to the public, and the agenda was publicly posted in accordance with Open Meetings Act requirements.

The following directors, staff, and guests were present:

Directors: Mr. Jerry Bob Daniel, President, Truscott
Mr. Conrad J. Masterson, Jr., Vice President, Cee Vee
Ms. Tonya Detten, Secretary/Treasurer, Panhandle
Mr. Jerry Dan Davis, Assistant Secretary, Wellington
Mr. Michael Sandefur, Texarkana – *Via Zoom*
Mr. Joe Ward, Telephone

Staff: Mr. Fabian A. Heaney, General Manager
Mr. Bryan Schaffner, Assistant General Manager
Ms. Cara Glasscock, Administration Manager
Mr. Rylan Johnson, Controller
Mr. Glen Hite, IT Systems Administrator

Guests: Mr. Josh Harman, Edgin Parkman Fleming, and Fleming, P. C.

Item One: Call the Meeting to Order, Roll Call, Pledge of Allegiance to the Texas and U.S. Flags, and Invocation.

Mr. Daniel called the meeting to order at 9:01 a.m. Ms. Glasscock performed a roll call and stated that a quorum of the Board was present. Pledges of allegiance to the United States and the Texas flags were said by all. Mr. Daniel then provided the invocation.

Item Two: Public Comments to the Board of Directors.

There were no public comments to the Board of Directors.

Item Three:**CONSENT AGENDA**

Items on the consent agenda will be considered and acted on in one motion.

- a. **Approval of the Minutes of the Executive and Investment Committees Meeting Held on Tuesday, January 21, 2026.**
- b. **Consider Approval of Directors' Expenses, and Take Any Other Action Deemed Necessary.**

Following the review of the consent agenda items, Ms. Detten moved to approve the items with noted changes. Mr. Davis seconded the motion, which passed unanimously by a vote of **6 For** and **0 Against**.

REGULAR AGENDA**Item Four:**

Consider Approval of the *Annual Comprehensive Financial Report for the Fiscal Years Ended September 30, 2025, and 2024*, Presented by the Authority's Auditor, and as Recommended by the Executive Committee for Audit Evaluation and Execution of the State Filing Affidavit, and Take Any Other Action Deemed Necessary.

Mr. Josh Harman of Edgin, Parkman, Fleming and Fleming, PC, thanked the Board for letting his firm conduct this year's audit. He noted he had already given a detailed presentation to the Executive Committee and would be brief unless the Board wanted to discuss specific areas.

Mr. Harman referred to the Independent Auditor's Report on page 42, stating that the financial statements comply with generally accepted accounting principles. He also cited the report on page 151, covering internal control and compliance, and said their audit found no reportable issues or noncompliance.

Mr. Masterson made a motion to approve the *Annual Comprehensive Financial Report for the Fiscal Year Ended September 30, 2025, and 2024*, as recommended by the Executive Committee, and execute the State Filing Affidavit, and take any other action deemed necessary. Mr. Ward seconded his motion, which passed unanimously by a vote of **6 For** and **0 Against**.

Item Five:

Consider Approval of the Investment Activity Report for the Period Ended September 30, 2025, and Resolution #2025-001 Adopting the Authority's Investment Policy, Investment Strategy, and the Investment Officers for Calendar Year 2026, as Recommended by the Executive and Investment Committees, and Take Any Other Action Deemed Necessary.

Following a general discussion, Mr. Davis made a motion to approve Resolution #2025-001 adopting the Authority's Investment Policy, Investment Strategy, and Investment Officers for the ensuing calendar year, and approve the Investment Activity Report for the period ending September 30, 2025, as recommended by the Executive Committee, and take any other action deemed necessary. Ms. Detten seconded his motion, which passed unanimously by a vote of **6 For and 0 Against**.

Item Six: Consider Approval of Resolution #2025-002, Adopting the Indirect Cost Accounting Plan for Calendar Year 2025, as Recommended by the Executive Committee, and Take Any Other Action Deemed Necessary.

Mr. Harman stated that the Texas Commission on Environmental Quality requires that a list of agreed-upon procedures be performed on the rates in the Authority's Annual Indirect Cost Accounting Plan. This is to ensure the Authority's calculations of the rates to be charged were performed in accordance with Uniform Grant Management Standards. He then explained the findings. He reminded that the tests performed on the rate calculations are not an audit.

Mr. Davis made a motion to approve Resolution #2025-002 adopting the Indirect Cost Accounting Plan for the ensuing calendar year, as recommended by the Executive Committee, and take any other action deemed necessary. His motion was seconded by Mr. Masterson, which passed unanimously by a vote of **6 For and 0 Against**.

Item Seven: Consider Resolution #2026-003 Authorizing the Acceptance of Environmental Protection Agency Grants for the Amounts of \$476,000 for RRA Carey Northfield Water System, and \$1,000,000 for RRA Lockett Water System, and Pledge the Use of Reserves for the Required 20% Matching Funds, and Take Any Other Action Deemed Necessary.

Following a brief discussion, Mr. Sandefur made a motion to approve acceptance of EPA funding, to pledge the required funds to meet the Federal grant match, and to authorize the General Manager to take any other action deemed necessary for implementation. His motion was seconded by Ms. Detten, and the motion passed unanimously by a vote of **6 For and 0 Against**.

Item Eight: Consider Authorizing the Expenditure of Funds from the U.S. Environmental Protection Agency Grants to Cover Engineering Costs, and the Advertising for Bids for Projects for the RRA Carey Northfield and the RRA Lockett Water Systems, and Take Any Other Action Deemed Necessary.

Ms. Detten made a motion to authorize the expenditure of funds to cover engineering design costs, to authorize the advertising for bids, and to take any other action deemed necessary. Her motion was seconded by Mr. Masterson, which passed unanimously by a vote of **6 For and 0 Against**.

Item Nine: Consider Authorizing the General Manager to Execute the Contract for the City of Howardwick Franchise Agreement, and Take Any Other Action Deemed Necessary.

Following a brief discussion, Mr. Davis made a motion to authorize the General Manager to complete the contract for the City of Howardwick, and take any other action deemed necessary. His motion was seconded by Mr. Ward, which passed unanimously by a vote of **6 For** and **0 Against**.

Item Ten: Conduct an Executive Session of the Board of Directors Pursuant to Government Code Section §551.074:

a. Conduct a Review of the General Manager and Receive Recommendations from the Executive Committee.

The Board went into Executive Session from 9:47 a.m. to 9:53 a.m.

Item Eleven: Consider Taking Any Action Deemed Necessary from the Executive Session.

Ms. Detten made a motion to give the General Manager a 5% raise. Mr. Ward seconded the motion, and the motion passed unanimously by a vote of **6 For** and **0 Against**.

Item Twelve: Consider Approval of the Purchase of Vehicles for the Utility Division through the Texas Buy Board Purchasing Cooperative, as Specified in the Fiscal Year 2025-2026 Consolidated Annual Operating Budget, and Take Any Other Action Deemed Necessary.

Following a brief discussion, Mr. Sandefur made a motion to approve the purchase of vehicles for the Utility Division through the Texas Buy Board Purchasing Cooperative, as specified in the Fiscal Year 2025-2026 Consolidated Annual Operating Budget, and take any other action deemed necessary. His motion was seconded by Mr. Davis, and the motion passed unanimously by a vote of **6 For** and **0 Against**.

Item Thirteen: Consider Resolution #2026-004 Supporting a Request for Financial Assistance from the State of Texas by Application with the Texas Water Development Board for Water Supply and Infrastructure Project grants, and Take Any Other Action Deemed Necessary.

Mr. Heaney gave a brief explanation of the Texas Water Development Board grant under the State Revolving Fund Program and the State of Texas's Water Supply Infrastructure Grant. After a short discussion, Ms. Detten moved to approve Resolution #2026-004 supporting the financial assistance request and to authorize the General Manager to take any necessary actions. Mr.

Masterson seconded the motion, and the motion passed unanimously by a vote of **6 For** and **0 Against**.

The Board took a break starting at 10:10 a.m., and reconvened at 10:14 a.m.

Item Fourteen: Consider Resolution #2026-005, Amending the Bylaws, Section 4 (a), Addressing the Frequency of Regularly Scheduled Meetings, and Take Any Other Action Deemed Necessary.

Ms. Glasscock explained that the Bylaws state that the Board of Directors meets once a quarter, currently in January, April, July, and September. After her explanation, Mr. Sandefur moved to adopt Resolution #2026-005, amending the Bylaws, Section 4(a), to define meetings as currently scheduled. His motion was seconded by Mr. Ward, and the motion passed unanimously by a vote of **6 For** and **0 Against**.

Item Fifteen: Consider Resolution #2026-006, Amending Chapter 1 and Chapter 3 of the Administrative Policy and Procedure Manual, and Take Any Other Action Deemed Necessary.

Ms. Glasscock briefly outlined Policy and Procedure Manual updates: revising the organization chart, adding the Smoke and Tobacco-Free Workplace policy, and updating the Utility Division Service Contract Shells. Ms. Detten moved to adopt Resolution #2026-006, amending the Policy and Procedure Manual. Mr. Masterson seconded the motion, and the motion passed unanimously by a vote of **6 For** and **0 Against**.

Item Sixteen: Discussion of the RRA Ringgold Water System Well Supply and Take Any Other Action Deemed Necessary.

Mr. Heaney gave a brief history and explanation pertaining to the Ringgold well contract. While the contract is valid for 15 years, Mr. Schaffner is considering other options if it cannot be renewed. No action was taken on the item.

Item Seventeen: Discussion of Key Performance Indicators (KPIs) that will be Tracked for Ongoing Board Reporting, as well as Updates on INCODE 10 and ESRI Software Systems, and Take Any Other Action Deemed Necessary.

Mr. Heaney explained the key performance indicators the staff will track to provide insight into organizational performance, operational efficiency, regulatory compliance, financial stewardship, and progress towards strategic objectives. No action was taken on this item.

Item Eighteen: Discussion of Potential Service Contracts, as Requested by Cities of Petrolia and Chillicothe, to provide Water or Sewer Operations and

Regulatory Support, Authorization of General Manager to Negotiate Contracts, and Take Any Other Action Deemed Necessary.

Ms. Schaffner provided an overview of potential service contracts between the City of Petrolia and the City of Chillicothe, outlining the key challenges and benefits. Following a discussion, Mr. Heaney requested Board approval to authorize him, the General Manager, to negotiate utility service contracts should either city move forward. Ms. Detten moved to approve the items with noted changes. Mr. Masterson seconded the motion, which passed unanimously by a vote of **6 For** and **0 Against**.

Item Nineteen: Other Business as the Board May Deem Appropriate:

a. Board Committee Reports

There were no Board Committee updates.

b. General Manager's Report

Mr. Heaney provided a brief update.

c. Assistant General Manager's Report

Mr. Schaffner provided a brief update.

d. Administration Manager's Report

Ms. Glasscock provided an administrative update.

e. Controller's Report

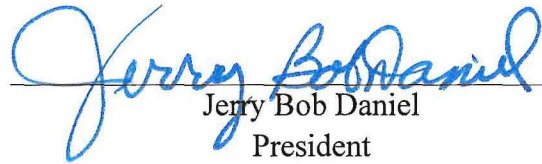
Mr. Johnson provided a financial update.

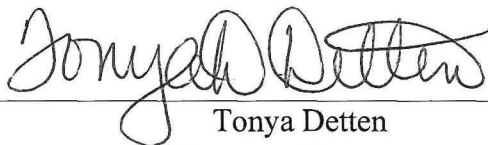
Item Twenty: Comments from the Directors and/or Suggestions for Future Agenda Items.

No comments.

Item Twenty-one: Adjourn Meeting.

Mr. Masterson made a motion to adjourn the meeting at 11:28 a.m. His motion was seconded by Mr. Davis, and the motion passed unanimously by a vote of **6 For** and **0 Against**.


Jerry Bob Daniel
President


Tonya Detten
Treasurer/Secretary