

**BANDERA RIVER RANCH WATER SUPPLY CORPORATION
BOARD MEETING
AUGUST 9, 2018 2:00 PM**

DIRECTORS PRESENT WERE:

Harry Maxwell Ernie DeWinne Steve Malone

OTHERS IN ATTENDANCE:

Rodrick Goff Ron Beadles Renae Harris Bernie Stuard Joe Ortega Barbara Maxwell

There being a quorum present, the meeting was called to order by Vice President Harry Maxwell at 2:00 PM, August 9, 2018.

MINUTES: Directors read the Minutes of the Meeting of July 12th, 2018.

MOTION: Ernie DeWinne made a motion to accept the Minutes of the July 12th meeting, as presented. Steve Malone seconded the motion. The Board voted unanimously, and the motion passed.

TREASURER'S REPORT: Ernie DeWinne presented the financial reports of July 2018. The Board and guests reviewed. Ernie DeWinne noted that customer receivables were up this month, due to elevated customer water usage in July. He noted that there is a need for more customer education regarding conservation of resources, and that the BOD needs to discuss preparation for Stage 3 water restrictions.

MOTION: Steve Malone made a motion to accept the Treasurer's Report. Ernie DeWinne seconded the motion. The Board voted unanimously to accept, and the motion passed.

OPERATIONS REPORTS:

Field Operations: Joe Ortega reported that the condo well slab is completed and the pedestals will be completed shortly. Two new taps were installed this month. Otherwise, normal maintenance completed over the month.

Office Operations: Ernie DeWinne reported, in Karen Antill's absence, that they are working on ironing out the problems encountered with testing of the new credit card payment system. Ernie will check with the company to see how many customers have signed up for the service to date. He discussed with the BOD that the credit card payment system's e-bill module will also help eliminate mail issues that occur, in that people would receive their bill electronically, and not have to deal with lost bills in the mail or incorrect delivery problems with the current postcard bills.

Class C Licensed Operator: Charlene Greenhill was not in attendance, but it was noted that fluoride testing for well # 5 came back as slightly elevated above acceptable limit. TCEQ said it is an exception. Our engineer requested that we run tests on our other four wells and that if all other well fluoride tests are acceptable, the engineer's remedy of blending the water to reduce the fluoride level would be requested as an acceptable solution.

ITEMS FOR DISCUSSION AND BOARD ACTION:

OLD BUSINESS:

- A. Update on Plant #3 Project (pre-final inspection) and discuss BRRWSC portion of Plant #3 project – As stated, the fluoride tested slightly higher than acceptable, and a remedy is being worked on. USDA email received re: the pre-final inspection report. Ernie DeWinne responded to USDA that results of the pump test and bacteria test are all fine, with only issue being the fluoride issue. Steve Bell was copied on the response.
- B. Condo pressure tank project update – slab portion and well #1 slab – Joe Ortega reported that the bottom part is done; the top part will be completed shortly. Ernie DeWinne emailed Bulldog to follow-up on their portion of the work. They are awaiting materials which have been ordered to be delivered.
- C. Update on Condo storage tank project – Awaiting for plans to be completed and submitted to TCEQ from engineers. Ernie stated that TCEQ has a lot of projects to be approved, and TCEQ is working through projects as they are submitted.
- D. Fire hydrant project – Ernie DeWinne reported that this project is still tabled. He has gotten some information regarding materials from a company. Harry Maxwell asked Ernie DeWinne to give an overview of the plan for this project for those in attendance. Ernie then briefly reviewed the history and plan for upgrading the hydrants.
- E. Corporate Seal – Ernie DeWinne reported that he was not able to get this completed in time for this meeting, but expects to have it done for September meeting.
- F. Put disconnect date on post card, with phone message from credit card system – Ernie DeWinne stated that he checked with the PUC to see if this would be an acceptable method of notification. The PUC responded that it is not acceptable; they require that a notice of disconnection date be sent as a separate letter.

Ernie DeWinne then reported to rest of BOD re: rate increase analysis. BRRWSC has not had a rate increase since 2013; there has not been any justification for raising rates to date. The Company has enough money to fund the debt service and for the projects that are planned. He reviewed that the appeal process for a rate increase involves having 10% of the customers sign a petition and submit to the Public Utilities Commission to appeal a rate increase.

- G. Discuss TCEQ letter on operating permit and plans for correction – Ernie DeWinne stated that the Board has all seen the TCEQ letter, and that the only issue is the fluoride level. He reported that the Engineers are currently working on the permit.

NEW BUSINESS:

- A. Review bid on Plant #3 improvements - Ernie DeWinne stated that he will try to see Mr. Fulghum to see what the status of the proposal for work on the gravel road, etc. is.
- B. Discuss TCEQ letter on drought conditions – Will get a copy to all BOD members, regarding planning for drought conditions. Will continue to keep this topic under New Business.
- C. Stage 2 & 3 water restrictions notifications – Joe Ortega stated that he believes that WSC should go to stage 3 now.

MOTION: Ernie DeWinne made a motion that a letter should be sent to all customers ASAP regarding mandatory Stage 3. Steve Malone seconded the motion. The BOD voted unanimously and the motion passed. Harry Maxwell asked Barbara Maxwell to try to locate the letter which has been used in the past.

D. Discuss billing for repairs to damage caused by contractor – Joe Ortega reviewed situation for BOD, where a tap that he had put in was disconnected and then a contractor had damaged the curb stop to turn the water back on. Joe notified the customer of the problem and that he had had to repair the curb stop to the meter, costing materials and labor.

MOTION: Ernie DeWinne made a motion to bill the customer for the damage repairs. Steve Malone seconded the motion. The BOD voted unanimously, and the motion passed.

E. Discuss Board actions in response to customer complaints – The BOD discussed the need to set a policy that all future complaints will be addressed in writing, and that responses to complaints should be signed by the Board as an entity, rather than an individual Board member.

MEMBERSHIP COMMENTS:

Harry Maxwell asked if there were any membership comments.

Rena Harris and Bernie Stuard on Saddle Trail asked to discuss their June bill which they state had been over-billed by a large amount. They also wanted to know who it was that reported them using large amounts of water, prior to the billing. They stated that they had a plumber come out and check their lines, and he found no leak on their side of the equipment. They maintain that either the billing is in error or the problem is on the WSC side of equipment. Steve Malone asked whether they had had the meter checked. They had not. Joe Ortega explained the process to them and that the fee to check a meter is \$25. He also told them that if the meter was found to be defective, they would be reimbursed for the \$25 fee.

The Board stated that it is WSC policy that they do not release the name of person(s) reporting issues to the BOD. Steve Malone told the members that if the meter is broken, WSC will adjust their bill.

Mr. Stuard stated that Joe Ortega has his permission to come on his property to check the meter. Ms. Harris also stated that she would like to know what day it was that someone saw them power-washing, etc.

Mr. Goff asked whether, in such a case, there would be repercussions for anyone found to be tampering with the WSC equipment, such as a fine, etc.

He also stated that it seems that the engineers are slow to get their portion of the various projects done, thus slowing down the progress of the company. The BOD members agreed, but also stated that good capable engineers are difficult to find.

Ernie DeWinne stated that at the next meeting he will give a short review of what he learned at the TCEQ Conference for the BOD. He also reported that TCEQ will come out and perform a source water protection survey, if asked, to see if the areas surrounding the well sites are in danger of pollution, contaminants, etc. The survey is free to the water company, being paid for by a grant.

Motion: Ernie DeWinne made a motion to look into inviting Collier Consulting, an engineering firm out of Stephenville, TX to give a proposal for an analysis of our system. Steve Malone seconded the motion. The BOD voted unanimously, and the motion passed.

Ernie DeWinne discussed several topics from the TCEQ Conference which he will include next month when he presents a review of the Conference: emergency generators, upgrade of meters, disaster response plan development. He requested that the upgrade of meters be placed on the agenda next month. Joe Ortega will contact the company to get some samples for review.

Steve Malone reported that he has been in contact with BEC solar, and has been trying to get a return call from them. A question which BEC has in this regard is whether WSC can pump more during the day, as opposed to evening hours. This needs to be explored.

Ernie DeWinne stated that a topic at the conference was developing/improving the emergency response plan and disaster response plan. WSC needs to meet with BEC to be sure WSC is a priority response of BEC in the event of disaster.

Ernie DeWinne also reviewed that the retirement plan being put in place requires that any employee over 21 years of age who earns \$450 or more per year must be included in the plan.

Ron Beadles, President of the DRROA Board reviewed with the WSC BOD that there has been a criminal escape this week and the steps taken by the Association to safeguard employees. He also thanked Ernie DeWinne for putting together the retirement package. He then reviewed an issue which came up with a resident who took food into the pool area against rules, and the encounter he had with the resident.

Ernie DeWinne suggested that the WSC take a proactive stance on preventing ground water pollution by bad septic systems – TBD at next meeting.

Hearing no further comments, Harry thanked those present for attending the meeting. With no further business to discuss, Harry Maxwell asked for a motion to adjourn the meeting. Ernie DeWinne made a motion to adjourn the meeting. Steve Malone seconded the motion. The BOD unanimously voted to adjourn at 3:15 PM.

BRRWSC PRESIDENT, BONNIE TIDBALL _____

BRRWSC SECRETARY/TREASURER, ERNIE DEWINNE _____