

**BANDERA RIVER RANCH WATER SUPPLY CORPORATION
BOARD MEETING – FEBRUARY 11, 2015**

DIRECTORS PRESENT WERE:

Jim Deeter Wayne Mauldin Ernie DeWinne Bonnie Tidball Tom Nate

OTHERS IN ATTENDANCE:

Walter Greenhill John Schuetze Joe Ortega Charlene Greenhill Karen Antill

The meeting was called to order by the President Jim Deeter at 7:00 p.m. February 11, 2015.

MINUTES: Each Director read the Minutes of the January 14, 2015, January 22, 2015 and January 28, 2015 Board Meetings.

MOTION:

Wayne Mauldin made a motion to accept the January 14, 2015, January 22, 2015 and January 28, 2015 minutes as presented. Bonnie Tidball seconded the motion. - The Board voted unanimously and the motion passed.

TREASURER REPORT: Ernie DeWinne presented the balance sheet and profit and loss statements as of December 31, 2014, January 31, 2014 and January 31, 2015.

MOTION:

Bonnie Tidball made a motion to accept the treasurer's report as presented. Tom Nate seconded the motion. - The Board voted unanimously and the motion passed.

FIELD OPERATIONS: Joe Ortega reported that we had 3 ½ inches of rain. Joe reported that they repaired one new service line, one line that was run over and one service line in unit 3. Joe reported that they have cleaned and patched roads. Jim Deeter advised that we are back to over 30% on our water loss and Joe has been using the leak detector to see if he can find some leaks. Ernie DeWinne reported that he was in a meeting and they were told that they replaced all their well meters with magnetic meters and they noticed a big difference in their water loss, Ernie got some information on the magnetic meters and the Board will review in the future. The Board discussed putting meters between mains to calculate how much water went through and how much was billed to see where we have leaks; they will look more into this.

OFFICE OPERATIONS: Karen Antill reported that she has finished all the yearend reports. Karen reported that she will be sending out disconnect notices on February 19th to be disconnected on March 2nd.

CLASS C LICENSE OPERATOR: Charlene Greenhill reported we received a letter stating that we did not send in our quarterly report to TCEQ, Charlene advised them that she sent them out certified mail and was told they would remove the violation once they receive a copy of the certified card. The Board discussed TCEQ wanting drilling records and plans for all of our wells, Joe will check the old files to see if he can find them.

OLD BUSINESS:

UPDATE ON WELL #5 WELL PROJECT SUBGROUP MEETINGS: Ernie DeWinne and Tom Nate reported their findings with their meeting with the TWDB on the changes of the loan application. Ernie advised that any changes we want to make could add months to the loan process. The Board discussed the changes of the Bylaws that need to be done and will put it on the agenda for the annual meeting and put a notice in the next billing.

Ernie spoke to Vera at TCEQ and was told that our engineers can submit the final plans since we have the commitment from the TWDB for the loan.

Ernie said he would like to authorize Thonhoff to go ahead and start working on our project to have it ready when the loan gets approved. Jim advised that he would like to speak with TWDB to make sure that we will get reimbursed before we get Thonhoff to start working on our project so we don't get stuck with a debt that won't be paid by the loan.

MOTION:

Ernie made a motion to authorize Thonhoff to start working on our project pending we can get verification of reimbursement by the TWDB, and to check with the TWDB engineer and his timing to make sure that they will accept the predesigned package before the loan is finalized.

Wayne Mauldin seconded the motion. - The Board voted with four (4) yes votes and one (1) no vote from Jim Deeter.

Ernie DeWinne advised that he spoke with Roy Thompson at THCB and they have to give us authorization for a new loan as well and they will be sending us a letter of approval. Ernie advised that the twelve (12) month \$50,000.00 line of credit expired last spring and was told by the loan officer that we should wait until the audit is done to issue a new one. Ernie would like to keep this \$50,000.00 line of credit to pay our contractors if we need to before it's approved and get reimbursed by the TWDB. Ernie advised that THCB sent out their application to be able to accept state funds and will wait for a response.

Wayne Mauldin and Ernie DeWinne met with the manager of the water system at Pebble Beach and was told that their project keeps getting delayed because they are getting federal funds and was told not to make any changes because it will add months to the loan/project process.

Jim Deeter and Wayne Mauldin spoke with Lydia at Bandera Title and asked her to start working on the Deed of Trust, the cost should be around \$4,000.00 to \$5,000.00.

REVIEW AND APPROVE AMENDMENTS TO 2015 OPERATING BUDGET: The Board reviewed the 2015 operating budget with adjustments presented by Ernie DeWinne.

MOTION:

Ernie DeWinne made a motion to approve the amended 2015 operating budget.

Bonnie Tidball seconded the motion. - The Board voted unanimously and the motion passed.

DISCUSS UPCOMING ELECTION TIMELINE: Ernie DeWinne advised that Board of Directors applications are due Friday and the Credentials Committee reviews them Monday if there is more than one candidate. Ernie advised that if we want to send out the amendment to the bylaws they will need to be sent out soon, the Board discussed and will send it out with the billing at the end of the month.

NEW BUSINESS:

REAPPOINT HARRY MAXWELL ON CREDENTIALS COMMITTEE: Ernie DeWinne advised that Harry Maxwell is not going to run for the Board of Directors after all and advised that he will reappoint him to the credentials committee.

UPDATE ON STATUS OF ANNUAL MEETING PLANS FROM COMMITTEE: Karen Antill advised that her Bonnie Tidball and Charlene Greenhill will meet again tomorrow to go over plans. Karen asked for volunteers to cook the hamburgers and hotdogs and bring grills. Jim asked to reserve a place to use if the weather is bad.

Jim Deeter asked the Board if they would vote to go in half with the DRROA for a sound system around \$600.00 to use at all the annual meetings.

MOTION:

Ernie DeWinne made a motion to purchase a sound system for around \$600.00 to split the cost with the DRROA.

Bonnie Tidball seconded the motion. - The Board voted unanimously and the motion passed.

MOTION:

Ernie DeWinne made a motion to adjourn.

Bonnie Tidball seconded the motion. - The Board voted unanimously and the meeting was adjourned.