

BANDERA RIVER RANCH WATER SUPPLY CORPORATION, INC.

ANNUAL MEETING - JULY 10, 2021 10:00 AM

DIRECTORS PRESENT:

Bonnie Tidball Ernie DeWinne Rod Goff Billy Wilson David Kelley

OTHERS IN ATTENDANCE: 8 households were present

The meeting was called to order at 10:00 AM by President Bonnie Tidball, who welcomed all in attendance. She then announced that being that there were 8 households present, a quorum had been reached and the meeting may proceed. Bonnie advised that there are refreshments and for everyone to help themselves. Bonnie introduced the Board, Employees and the Class C License Operator.

MINUTES: The Board of Directors and guests read the Minutes of the June 6, 2020 Annual Meeting.

MOTION: Ernie DeWinne made a motion to accept the June 6, 2020 annual meeting minutes as presented. Rod Goff seconded the motion. The Board voted unanimously, and the motion passed.

UPDATE REPORTS:

- **Report of the Board President:** Bonnie Tidball thanked Billy Wilson and Joe C. Ortega for keeping the water running during the winter freeze we had, the only customers that lost water was because the customers own personal lines that froze. Bonnie advised that we never had to send out a boil water notices because Billy and Joe were able to keep the water going where other water companies had to send out boil water notices because their lines completely froze and were without water.
Bonnie advised that a lot of people are questioning why our water hydrants are black, and that is because they are actual fire hydrants, they just can't have a pumper fire truck hook up directly to the hydrants because it could collapse the lines. The BRRWSC is going to take a 50,000 and two (2) 5,000-gallon tanks out of service at the upper system and dedicate them to the fire department to use for fires in the area.
Bonnie advised that the BRRWSC have put in new AMI meters for all customers that send the meter readings to Karen daily, Karen monitors them daily and she will call a customer if she notices they have a leak. Bonnie also advised that we have put the new meters on the wells and that way we get daily readings and won't have to calibrate them every year, we can get them calibrated every three years instead which saves a lot of money.
Bonnie reported that she went to a class about grants and said that they have grants that help with training among other things, and since Joe A. Ortega is going through training for his Class C Operators License that we could get some help with the cost of his classes.
- **Auditor's Report:** Donna Jones, from EDE Management Company, presented to the Membership the 2020 Fiscal Year Audit, her independent report on the BRRWSC finances. Donna reviewed the current assets, fixed assets, net assets, current liabilities, and long-term debt for the corporation. Donna reported that this year the Corporation's financial statements have received an unmodified opinion, which is the highest rating that can be given. This means that the financial statements were fairly presented in accordance with Generally Accepted Accounting principles. She reported that BRRWSC shows total assets of \$1.9 million, and current liabilities of \$31,000, long term debt is \$1.1 million, indicating that BRRWSC is in excellent financial shape. Donna then made a recommendation, regarding any amount over \$250,000 which BRRWSC holds is not insured due to being over the FDIC limit and recommended that the Company select another bank in which to deposit any amount over \$250,000, which would allow it to be FDIC insured. Bonnie Tidball thanked Ms. Jones for her work and report on behalf of the Board.
- **Treasurer's Report of 2021 Current Fiscal Year, as of June 30, 2021:** Ernie DeWinne reviewed the current financials with Membership. He reported to the Membership that the Corporation is in very sound financial condition.
MOTION: Billy Wilson made a motion to accept the Treasurer's Report. Rod Goff seconded the motion. The Board voted unanimously, and the motion passed.

- **Report on Projects:**

Rod Goff advised that he believes water catchment systems are beneficial to everyone to help conserve our ground water. Rod advised that the State of Texas encourages water catchment by authorizing each county to give property tax credits for the price of installation. Rod advised that it is up to each county to get authorization and implement a process for giving out credits and has spoken with the commissioners and was told that if they start giving out the credits it would over all lower their yearly budget. Rod asked everyone to call the commissioners and state representatives and complain to possibly get the ball rolling and make our opinions known and hopefully we can start getting credit on water catchment systems. Ernie DeWinne advised to start a petition and take it to the commissioners' court meeting to make our voice heard. Ernie advised that the cost of a water catchment system is supposed to be tax exempt. Ernie reported that the Board set up a budget line item of \$10,000.00 to use as an incentive to put in a rainwater collection system with up to \$1,000.00 rebate to a customer if they can show that they put in a new system.

Billy advised that the reason we haven't tested the hydrants in the subdivision is that we can't afford to waste 30,000 to 40,000 gallons of water and he also found out that there won't be any breaks in customers insurance rates because we have a volunteer fire department. Rod advised that Bonnie went over the tanks that we are taking out of the system for the fire department to use for fires in the community, we should have it ready for the fire department within six (6) to seven (7) months for them to be able to use. Billy advised that our Cow Creek wells are holding the volume, but the lower trinity well is dropping in volume. Billy provided a map showing the Bandera County recharge zones which there are a lot of wells between there and us, and the more wells put in the lower the volume we get, our recharge zone is in Sonora and Ozona. Billy advised that well #7 is going into the lower trinity around 1,000 feet. The Board is looking for more land closer to the river to hopefully get a well that pumps more gallons per minute for well #8 if needed. Billy advised that DR Horton put sprinkler systems in all of their homes and were not abiding by the watering restrictions, Joe and himself turned off the sprinklers and helped some of the new owners reset their systems to abide by our watering restrictions.

Billy reported that we lost well #2 because it was over treated by acid, which blew out the fault line and had to be plugged according to state guide lines. Billy advised that the only lower trinity well we have at this time is well #3 which produces about 100 gallons per minute and hopes well #7 being drilled at Plant #3 will pump as much. Ernie advised that well #7 will be paid for with the expansion reserve that has been collected by all the new customer homes, which will cost around \$100,000.00.

Bonnie reported that she found out from Joe A. Ortega that the Lower Colorado River Authority (LCRA) gives out grants in January and July, we are in the process of filling out the application now to help pay for a generator for the Plant #3 to have in place before the next freeze or power outage.

- Joe C. Ortega advised that they put well #6 online and it is doing well. Joe had to rework wells #3 and #5 because the pumps went out and the pipes were rusted. Joe C. reported that they put brick pavers in eight (8) new driveways that were over the water mains, and put in twenty (20) new taps. Joe reported that they had also changed out the well meters to AMI meters.

- Joe C. reported that they will be upgrading the air compressor, pressure switch and drive out at well #1. Joe advised that the compressor wouldn't come on and found the probes were bad inside. The new one will be mounted on the top of the pressure tank. Joe advised that anytime we have an electrical outage he has to come out and reset it manually.

Class C License operator John Hegemier reported that he started in January of this year and is working on getting the files in order, working with TCEQ, TWDB annual reports, water loss and water usage reports. He is working on getting the records for the Condo well ready for the upcoming inspections with TCEQ. The Board thanked John for all his hard work and for taking care of the Lead and Copper violation that was in place before he started working with the BRRWSC.

Bonnie reported that there were two positions that were up for elections this year, since only the two incumbents (David Kelley, and Bonnie Tidball) applied for the positions, they were declared unopposed and a resolution was passed that they are officially elected.

ADJOURNMENT: With no other business or questions, Bonnie Tidball asked for a motion to adjourn the meeting.

MOTION: Billy Wilson made the motion to adjourn. David Kelley seconded the motion, the motion carried unanimously, and the meeting was adjourned at 11:36 AM.

BRRWSC PRESIDENT, BONNIE TIDBALL _____

BRRWSC SECRETARY/TREASURER, ERNIE DEWINNE _____