

BANDERA RIVER RANCH WATER SUPPLY CORPORATION
161 Broken Spur Cir, Bandera TX 78003
BOARD MEETING
August 14, 2025 , 6:01 P.M.

DIRECTORS PRESENT WERE: Vera Mendoza, Steve Sander, Dave Kelly and Martin (Tom) Cook

OTHERS IN ATTENDANCE WERE: Jeff Bolte (Office Manger), Gary Albrecht, Mike Arguelles, Joan Hutchinson, Susie Crews and Tammy Altvater

There being a quorum present, the meeting was called to order by Board President Vera M. at 6:01 P.M., August 14, 2025.

MINUTES: Were presented and read.

MOTION: Dave K moved to accept minutes. Steve S seconded. Motion approved without dissent.

PRESIDENT'S REPORT:

- Implemented the new payroll system, Gusto as of July 28th.
- Attempted to get asphalt contractors to come out to give estimates, but Jason S took care of it with cold patch asphalt.
- Working to correct an error in a well sample report to TCEQ which was apparently mislabeled not missing.
- The customer confidence report (CCR) was kicked back. Vera M and Jason S are working that issue.
- Contact with our CPA concerning tax filing status and filings of forms 940 and 941.
- Corrected billing mixup with the CPA office sending the bill to the wrong address.
- Tariff editing is ongoing.
- Ongoing customer communication, Vera M updated office hours on the website. Using our personal mobile numbers is allowing people with bad intentions to phone bomb board members. Vera M is looking into interactive voice response (IVR) systems for BRRWSC's use. Additionally, upgrading the phone system we use from Vonage to a different provider, possibly BEC or AT&T.
- Updated the website with the CCR, removed outdated firefighting info and added recent BOD meeting minutes.
- Vera M, Jeff B and Tom C met with a consultant about providing IT services to the BRRWSC for the purpose of upgrading our hardware (as needed) and acquiring security updates for our systems. We will be requesting additional quotes from other IT consulting/service providers before choosing one.

TREASURER'S REPORT: (Tom C)

- Cash has increased \$9k from last month.

- Profit and Loss statement: net income was \$706.44 which is under the budgeted amount of \$6k. Our year-to-date net income still exceeds our YTD budgeted net income. Budgeted YTD NI \$39k. YTD actual was \$56k. July recap operating income \$1,100 over budget. Total expenses was \$6,500 over budget (OB). \$2,800 OB in repairs, \$2,200 OB in field operations, contract services \$3,800 OB and other expenses category was \$2,300 under budget.
- Balance sheet: \$570k in current assets. Total current liabilities \$6,800. The point being that we have adequate current assets to cover our current liabilities for many months (years). Our year-over-year increase in current assets is simply the result of revenues exceeding expenses.
- This past month we made journal entries to zero out our construction in progress account as we have no construction in progress. This was done in preparation for upcoming construction to enable us to clearly see what we have and where it should go when completed.
- Jeff is in the process of correcting our loans. The payments have been simply going to the loans and interest expense has not been recognized as it should have. This is ongoing.
- We had talked about moving membership fees (acct 30400) to a liability. I've considered this and decided that it is fine where it is as part of owner's equity.

Motion: Steve S moved to accept the treasurer's report. Dave K seconded. The motion passed without opposition.

OPERATIONS REPORTS:

Repair Update: (Steve S) Eight leaks repaired this month, two on Sunset, three separate leaks on Mesquite, one on River Ranch, one on Riverview and an emergency repair on Old Camp which required the second class C operator. Despite the high number of repairs there are currently no outstanding issues.

Class C Operator: (Steve S) We are performing maintenance on the Lantana, Riverview and Oak Bridge plants. The Perennial plant will be done last. Jason is doing an outstanding job of repairing leaks and keeping up with ongoing maintenance.

Production: (in gallons)	
Lantana	962,128
Riverview	369,670
Oak Bridge	179,978
Perennial	123,776

Meter Installation Update: (Steve S) Significant damage done to the corporation stop at new construction on Old Camp Road which required an emergency repair.

Motion: Steve S moved that the builder on Old Camp Road where the emergency repair was required be charged for the parts and labor plus five percent for the repair of equipment damaged by the workers. Tom C seconded. The motion passed unanimously.

Motion: Tom C made a motion that we spend up to \$350 to install a mini-split in the old well house at the Lantana plant for use by our class C operator for office space. Steve S seconded. Passed unanimously.

Our class C operator has completed the distribution pump replacement at Oak Bridge. One last meter awaiting installation on Old Camp Road.

Office Operations: (Jeff B)

- Found a large stack of service applications in a desk drawer which have yet to be filed.
- We received a letter from the IRS stating that we are owed a refund of \$146.21 from a 940 report in 2022.
- We have been paying \$99.99/month to BEC for internet services, and we are paying the HOA \$49/month for internet services. Since we have only one internet service Jeff will investigate.
- We have begun accruing our unbilled rent so as to keep a realistic picture of our net income.
- The board will continue the discussion of rent and internet service charges at a later date.
- We sent disconnect notices to the three most egregious delinquent accounts. Two have been resolved. One is outstanding. Next month we will continue down the list.
- Addressing items on the Adjustments Report, the adjustments were for clerical errors, bad checks and late fees.
- Found an anomaly in the RVS system regarding the Perennial account. It was set to not be included in our reporting. This has been changed which may impact the consistency of our water sales/usage reporting next month.

Unfinished Business:

BRRWSC Tariff Review Committee (Vera M)

- The new tariff is still being edited. Texas Rural Water Association (TRWA) will do a rate review for us which we may use in the new tariff. We will not be able to finish the tariff until we have our new rates planned.
- Things to be discussed regarding new tariff: emergency preparedness planning IT security, tier 1 and tier 2 and new rates. TRWA will provide us with a rate review for use in guiding us in setting new rates as appropriate.

Infrastructure & Property Acquisition Update (Steve S)

- One surveyor has responded to our request for a quote. To find and verify pins on three and a half acre plat that is parcel ID number 167103, Bandera River Ranch 6 Block 9 Lots 6 & 7, 3.504 acres.
- Jason S and Steve S are working up a quote on the new storage tank.

Motion: Steve S moved that we continue resolution 25-1 as written. Dave K seconded. Vera M pointed out that we have inadequate storage to provide any more connections than we currently have. Steve S concurred stating that we would be violating TCEQ standards should we increase our number of connections with our current infrastructure. The motion passed unanimously.

- Steve S stated that our new tank would cost between \$2 and \$4 per gallon for the 100,000 gallon tank we need. [\$200,000 - \$400,000]
- Vera M suggested we (herself, Jeff B and Tom C) begin looking for sources of funding for this project.
- Vera M has been in contact with Mr Brower who owns office space near Anytime Fitness for \$500 - \$600 per month. Steve S pointed out that we need a space large enough to have meetings.

New Business:

Phone Service recommendations

- Steve S has had his phone bombed by persons unknown probably because his phone is listed as the emergency contact on the website.
- Additionally, HOA inquiries are coming to water board members.
- Vera M would like to update our phone system as Vonage, our current supplier, has been very difficult to work with. She has contacted BEC and AT&T. Also, she has contacted Telex and answerconnect.com for Interactive voice response (IVR) services.

Technology Services (IT Support)

- Vera M: We continue the process of updating our IT systems security. TriLeaf technology service visited with us and gave us estimates for their services. Basically we can engage them on an ad hoc basis with an hourly rate of \$180 or pay their monthly service fee of \$750. They can come in and upgrade/rebuild and put a hardware firewall on our existing computer at the \$180/hour rate.
- Their greatest concern is that we share an unprotected internet portal with the HOA. We have sensitive systems (PSN, RVS and Kamstrup) which are vulnerable to attack.
- TriLeaf can put a hardware firewall, privacy glass shield and set up backups for \$3,224.19.
- Or, a set up cost of \$2,684 plus the monthly fee of \$750.
- Vera M: She will contact additional IT consultants for more estimates. We will address this item at our September meeting.

Member Comments:

[Mike Arguellos property owner 1389 River Ranch Dr]: He was concerned that his tenant was allowed to accumulate a \$2,400 arrears on their water bill. He believes that service should have been terminated after two months delinquency instead of allowing this to continue for 18 months.

[Susie Crews]: Inquiring about the possibility of getting off of stage IV restrictions and encouraging the board to explain to members how to sign up for automated/electronic payments.

Executive Session:

Entered at 8:10PM Exited at 8:50PM We discussed issues concerning director items and some personnel items. No motions were made.

Adjournment:

MOTION:

Steve S. moved to adjourn. Dave K. seconded. Unanimous agreement to adjourn at 8:52PM. The next regular board meeting will be held on Thursday, September 11th, 2025 at 6 P.M.

BRRWSC President,

Vera Mendoza_____

BRRWSC Treasurer/Secretary,

Martin (Tom) Cook_____