

BANDERA RIVER RANCH WATER SUPPLY CORPORATION
161 Broken Spur Cir, Bandera TX 78003
BOARD MEETING
February 20th, 2025

DIRECTORS PRESENT WERE:

Vera M., Steve S., Carlos C., Rod G., Dave K.

OTHERS IN ATTENDANCE WERE: Ernest DeWinne, Gary G. Albrecht, Tom Cook, Patrick Lindner, Tammy Altavater

There being a quorum present, the meeting was called to order by Board President Vera M. at 6:02 PM, February 20th, 2025.

MINUTES: Directors read the Minutes of the previous meeting of January 16th, 2025.

MOTION: Rod G. made a motion to accept the Minutes of the meeting of January 16th, 2025, and Dave K. seconded the motion. The Board voted unanimously to accept the Minutes, and the motion passed.

PRESIDENT'S REPORT:

Vera M. updated members on the tasks she has worked on and/or completed:

- Communicated throughout the month with members by providing periodic updates to the BRRWSC Website and through Call Multiplier
- Due to the lack of response from insurance carrier (MBRE), supplies were purchased for the pump repair and a reimbursement is being requested for 203 Oak Bridge.
- Based on the approved timeline for the 2025 Elections, followed through with the BRRWSC Election Rules and Procedures in preparation of the April 5th 2025 Annual Meeting
- A TCEQ Meeting was scheduled 01/13/25 with VP of Operations and License C Operator to review the 7 pending violations from 2023 and 2024. We will provide documentation, photos, and statement by tentative due date - March 3rd, 2025
- Contacted and emailed Corporation Lawyer regarding changes to the BRRWSC Water Utility Tariff and finalizing Resolution NO. 25 - 1. Finalized wording for both documents in preparation of the Feb 20th Board meeting.

TREASURER'S REPORT: Carlos C. prepared a proposed Budget, Balance Sheet and Profit/Loss sheet. He stated that our operating budget looked good but that they may not be reflective of the documents provided due to interest that accrues in the Money Market and ongoing changes to our operating account. Vera M. did inform CarlosC. that due to our approximate \$15,500 insurance premiums not being paid in November of 2024, the Operating Account balance will change significantly. In reviewing each document and due to some inaccuracies in QuickBooks, a motion was made to only approve the Balance Sheet. Carlos reviewed the proposed Budget with the board. The board decided to add the 2025 proposed Budget to next month's agenda for a more in depth discussion before approving it.

MOTION: Rod G. made a motion to approve the Balance Sheet only, and Dave K. seconded the motion. The board voted unanimously to accept the financial report, and the motion passed.

OPERATIONS REPORTS:

Class C Licensed Operator/Field Operations:

Water Usage for the BRRWSC water systems are as follows:

River View:

385,624 gal

Lantana:

1,790,923 gal

Oak Bridge:

248,967 gal

Perennial:

78,958 gal

Steve S. reported that a notice needs to be put on the website informing customers that they need to coordinate with the water company if they need to shut off their meter. Meter and beyond is the responsibility of BRRWSC and that the customer may be held liable for any damage to BRRWSC equipment. Infrastructure repairs occurred on River Ranch, Indian Paint Brush, Oak Bridge, and Heinen. They continue to map out inoperable valves. Oak Bridge pump was ordered from Odessa Pumps which misquoted us originally and gave a final quote of \$3200.00. Worked and documented TCEQ requirements to clear off dockets. Rod G. did make an inquiry on whether we should take responsibility for having a way to make a modest landscape repair once we dig up customer yards for leak repairs. Budget will be a factor in whether or not we can offer those type of repairs. Chlorine levels have been good.

Office Operations:

A report was not provided.

Unfinished Business:

- a. Under Water Well Inspection – *Action has been tabled on this item
- b. TCEQ Update – Vera M. stated that they met Monday, 01/13/25 with VP of Operations Steve S. and License C Operator to review the 7 pending violations. Five remaining violations from dockets 2023 and two remaining violations from dockets 2024. They set a March 3rd timeline to provide the pending documentation which will include a written statement, readings, and photos to be sent to TCEQ.
- c. 2025 BRRWSC Election Update – Vera M. informed the board that Election Notices went out and ballots were due February 19th to allow Credentials Committee to review and approve the ballots. They also provided a written recommendation to the board to meet the February 20th timeline. The purpose of the board meeting was also to approve the ballot, if needed, the agendas for the upcoming Annual Meeting, and to select an Election Auditor. Vera M. read the Credentials Committee recommendation to the board.
MOTION: Rod G. made a motion to approve the Credential Committee’s recommendation, and Dave K. seconded the motion. The board voted unanimously to accept the Credential Committee’s recommendation, and the motion passed.

The board reviewed the Public Meetings Notice for the Annual Meeting April 5th 2025.

MOTION: Carlos C. made a motion to approve the Public Meeting Notice for the April 5th 2025 Annual Meeting, and Steve S. seconded the motion. The board voted unanimously to accept the Public Meetings Notice, and the motion passed.

Steve S. was appointed as the Election Auditor for the April 5th, 2025 Annual Meeting.

New Business:

- a. CPA/IRS Update – Carlos C. stated that we hire a new CPA. He stated that the current CPA, Brad Dower and his office had been unresponsive. Vera M. did inform the board that his offices were very responsive to her and in fact, she was able to speak to Brad Dower, Tanner Robertson and Josh Wagner (provides accounting services and training). She and the new office manager were able to set a meeting with Mr. Dower for the following week. It was concluded by the board that if our current CPA could not provide and Annual Audit by March 14th that we go forward in selecting a new CPA. Vera M. would report back to the board at next month's meeting.

MOTION: Steve S. made a motion that we contact Brad Dower February 24 and if he cannot provide the Annual Audit by March 14th that we acquire PDQ Tax Services, and Carlos C. seconded the motion. The board voted unanimously to accept the CPA change if they do not meet the criteria, and the motion passed.

Vera M. did ask Carlos C. if the IRS documents that she emailed on December 16, 2025 to him and Stephenie Owens, former office manager were addressed. Carlos stated that he did not see the email. He stated that the HOA was sent the same things for the HOA. Carlos C. stated that he would need to check in QuickBooks to see what had been paid.

- b. BRRWSC Infrastructure – Rod G. stated that the board has expressed concern with regards to security issues. He stated that in the past there had been a good working relationship between the HOA and BRRWSC. Currently, board members have expressed concern with not being welcomed in the building by having work space furniture removed or called names by the HOA staff. Security cameras containing audio/visual capabilities have not been disclosed to BRRWSC board or staff. As a landlord, the HOA should be concerned about these issues and should also have reported the hiring of BRRWSC's former employee. This hiring created security issues with BRRWSC's computers and filing cabinets that hold private documents. Vera M. stated that the HOA, as their landlord, should have sent a courtesy email informing them that they would be hiring their former employee. It was also reiterated by several members of the board to Carlos C. that the former office manager was not terminated but in fact resigned. Carlos C. confirmed to the board that Stephenie Owens, former employee was hired by the HOA. The board decided that going forward that they would inform the HOA, as a courtesy, of any permanent personnel changes and would hope that it would be reciprocated. Because of the current office climate, BRRWSC is actively looking for a new office location and would let the HOA know in writing when that would occur.

Steve S. segued into the topic of possibly developing permanent office and storage space for BRRWSC at the property adjacent to the Oak Bridge site and asked whether we should actively look at purchasing the property. The board decided that Steve S. and Rod G. could actively made inquiries regarding the expansion of BRRWSC infrastructure.

- c. BRRWSC Tariff and Resolution/Legal – Vera M. introduced Mr. Patrick Lindner, Corporation Lawyer. She stated that while we may not be ready to approve the Tariff, the Resolution is complete and ready for approval and Mr. Lindner can answer questions regarding both documents. In response to Steve S. question regarding whether we can approve the Resolution under the current Tariff, Mr. Lindner responded yes. Mr. Lindner explained the reasoning around adopting a new tariff, explaining that the current tariff was based on an Investor Owned Utility which is subject to the full extent of regulation by the Public Utility Commission. They are also obligated to fund the installation and

expansion of the system. They are prohibited from passing along the costs to the customer for expansion. Note: BRRWSC purchased in 2011. As a non-profit, member owned Water Supply Corporation, they can pass along costs for expansion onto the customer. The Texas Rural Water Association provide a template tariff. The template provided to the BRRWSC is from Benton City WSC in Texas. The new tariff would meet the current needs of a Water Supply Corporation. Vera M. recommended a committee to review the new tariff and add what is relevant from our current tariff. Steve S. and Rod G. volunteered to help review the document.

The board reviewed Resolution No. 25-1 and Mr. Lindner offered the explanation that if we are limited on water storage, this document will buy the BRRWSC time to put the funding and infrastructure in place needed so that they do not become out of compliance with TCEQ or other state compliant entities. It will tell future applicants that service will be temporarily placed on hold until the corporation can install the additional storage facility it needs to meet the minimum TCEQ requirements. It was also noted that should anyone file a lawsuit, the response would be that the court has no jurisdiction. The Public Utility Commission of Texas is its sole authority over water supply corporations. The board agreed to approve Resolution No. 25-1.

MOTION: Rod G. made a motion to approve Resolution No. 25-1, and Steve S. seconded the motion. The board voted unanimously to accept Resolution No. 25-1, and the motion passed.

Adjourn to Executive Session - Board Members went into executive session. The Board came out of executive at session at 8:47pm and stated that they accepted the resignation of director and employee items were discussed.

ADJOURNMENT: Steve S. made a motion to adjourn the meeting at 8:50pm and Rod G. seconded. The board voted to approve the motion, and the motion passed unanimously.

The next regular Board meeting will be held on Thursday, May 8th, 2025 at 6 p.m.

BRRWSC PRESIDENT,

Vera Mendoza _____

TREASURER/SECRETARY,

Carlos Cordell _____