

BANDERA RIVER RANCH WATER SUPPLY CORPORATION
3540 SH 16 S, SUITE 1-C, #5 BOARD MEETING
August 20th, 2026, 6:00 pm

DIRECTORS PRESENT WERE: Vera Mendoza, Steve Sander, Dave Kelley, Gloria Mejias

OTHERS IN ATTENDANCE WERE: Jeff Bolte, Gary Albrecht, Ken Glidewell, Jill Glidewell, Tom Kickler, JoAnn Kickler, Mike Dowd, Terri Dowd, Tasha Ries, Randy Dougherty, Jessica Mesawitz, Jae Sun Chin, Mike Ruiz, Mark Hall, Al Finch, Kathy Finch, Eddie Mejias

There being a quorum present, the meeting was called to order by Board President Vera M. at 6:01 pm on August 20th, 2026.

MINUTES: Were presented

MOTION: Dave K. moved the minutes for July 16th, 2026 be accepted. Steve S. seconded. The motion passed.

PRESIDENT'S REPORT: (Vera M.)
During the months of July/August:

1. With an addition of a new board member, an update to Signature Cards at the bank with current board members was completed and due to our move updates to our new office address was done.
2. Worked with legal on a dispute regarding a legal bill to us and a reduction in the bill was made.
3. Working with Bandera Signs for a signage to be placed on the exterior door and should be up by next week so our customers can find us, there will also be an office nameplate on our door. Need board's approval for funding to get started on signage.
4. Sent correspondence to DRROA regarding a bill for a trailer repair and in regards to selling our portion of ownership of said trailer to them. Have not yet heard back from them.
5. Updated periodic report of a nonprofit corporation, submitted on July 31st, 2026 via certified mail to Secretary of State as required when a new board member comes on board.
6. Worked on TCEQ to request a billing of address change to update our billing and on pending notices of violations which were missing paperwork of our UGRA Labs. They were not true violations rather missing pages from June, July & August of 2025, when scanning the backside of the pages were missed and TCEQ did not receive them.
7. Boil notices and rescinds were sent out in a timely manner to stay in compliance with TCEQ and we stayed in compliance throughout the entire process. Worked with the Operator and the VP of Operations regarding any pending notices.
8. Worked with Bandera County River Authority and Ground Water District to submit reports to them.
9. Kept our website updated, changed address, mailing address, did software backup and communicated with customers in person, via email and call multiplier throughout the month.

TREASURER’S REPORT: (Vera M.)

1. We have two open board positions available one is for treasurer and the other for a director. We are looking for someone who can do accounting or bookkeeping and take a few days a month to do the work. If anyone is interested in volunteering for either position you just need to fill out an application.

2. Statement of Cash Flow - has a net cash increase for July 2026 of \$7,571.03 last June 2025 we were in the negative of \$50,258.78 because of the down payment to the storage tank.

3. Balance Sheet Previous Year Comparison – operating income in down from July 2025 reflecting the down payment on the water tank.

Bandera Bank Money Market - the percentage rate had gone down so \$65,000 was moved to Bandera Bank CD where we get 3%. Went from \$160,000 to \$95,000 on July 22nd, 2026 when it was moved.

Total Checking/Savings – we are at \$511,156.74 in July 2026 down from \$538,212.91 in July 2025 again reflecting the down payment of the tank.

Total Accounts Receivable – July 2025 we were at \$37,387.86 to an increase of \$42,458.04 July 2026.

Total Current Assets – we are negative 18% on July 2026 \$565,339.2 from \$584,262.68 on July 2025, reflecting our commitment in the tank installation.

Construction in Progress – July 2025 was \$0.00 to \$127,950.00 in July 2026. The 125,000 gallon tank was \$49,975 before tax and sight survey \$2,980, an approximate last June was \$50,354.36.

Total Current Liability – Went up from \$6,664.62 July 2025 to \$89,660.80 in July 2026 due to the tank.

Equity Net Income – \$52, 829.89 in July 2025 to \$54,323.80 in July 2026, compared to June 2026 we are at \$48,539.35, due to the season when customers are using more water.

4. Profit & Loss Budget vs. Actual July 2026- Sales Income – June 2026 was \$28,941.44 and July 2026 is \$29,618.90 we budget \$30,800 and we were off by \$1,181.

IT Contract Services – we budget \$500 for office space and \$2,515.00 was used to start up IT services.

Repairs & Maintenance – we budget \$2,000 and used \$2,578.99 we were \$578 over.

Net Income – we budget \$8,447.54 and brought in \$5,904.45 we were off \$2,543 have to consider the IT expense, more overhead in rent, lost interest in Money Market and the legal expenses.

5. Profit & Loss Budget vs Actual January through July 2026 – Net Income – budget of \$55,521.55 and we are at \$54,323.80. We are off budget by \$1,197, mainly we are doing better this year. Part of that is we did a rate increase and we will be undergoing another rate review in November after completing the budget in October.

MOTION: Dave K. moved to accept the treasurer’s report. Gloria M. seconded. The motion passed.

OPERATIONS REPORTS: (Steve S.)

Class C Licensed Operator/Field Operations:

Production (in gallons)	
Lantana	252,469
Riverview	81,361
Oak Bridge	101,562
Perennial	28,974

Repair Update:

1. Had a repair on Blue Bonnet and another repair off of well 1 down in the greenbelt area which took several days to repair. Had a couple of Red Hat failures and other equipment that needs to be replaced. Will work with Jeff on ordering those parts through Amazon.
2. While working on Riverview, well 4 at Lantana was struck by lightening, the lightening went down the hole, fired the pump, the controller, all the copper and the sub-panel. The entire cost of repairs will be submitted to AIA. Lightening strikes are not covered by warranties so insurance should cover it. The well company was able to give us a good deal because they were already here working at Riverview when Lantana got struck.
3. Replaced 2nd booster pump and motor at Riverview. The well is the oldest in the subdivision and it needs to be replaced soon with a new and larger well. No question that approval will be given by TECQ to replace the well, question is what can be done to get approved quickly. Will set up meeting with Dan and Blake from the well company to discuss how to get this all done.
4. Per Vera M.: This is why a treasurer is very important to look over financial of what we need.

Meter Installation Update:

We have no new meter installations.

Office Operations: (Jeff Bolte)

1. Past due receivables are not getting paid, not sure if it's because people are on vacation. Have a builder that has not paid, receivables should drop by 30% once that gets straightened out. Otherwise it is looking okay.
2. Trying to save money on paper postage by sending e-bills to those who signed up, there was a glitch with PSM this month and the e-bills were not sent out to 20 customers. Will try it again next month to save 68 cents per bill.
3. Per Vera M.: Through Jeff the total receivables collected for month of July was \$30,869.29.

ITEMS FOR DISCUSSION AND BOARD ACTION:

Unfinished Business:

Infrastructure & Property Acquisition Update: (Steve S.)

1. Tank has been ordered, the check is in the mail and we are on track for possibly November. Waiting for cooler weather and times of days when it's cool, don't want to pour when it's hot. Jason is looking into the piping cost, valves and all supplies needed for the new Oak Bridge tank install. Jason is also working with TECQ for all necessary items needed to get approval. We have two concrete people we're still deciding on, depending on mud cost.
2. Company will insure tank while in transit and AIA insurance must be in place when we receive.

TECQ - Compliance/Update: (Vera M.)

1. We got a notification, a Removal of Violation was received after resubmitting a UGRA that was missing a coliform reading from June, July and August. There was an error by the lab in scanning the forms, the front of the paperwork was scanned and not the backs so TECQ did not receive the missing pages. Our License C operator is very thorough in taking daily readings, the readings were all there but it showed as if we were missing the labs. We still have a pending notification from October 2025.

2. On August 4th, 2026 a Boil Water Notification was sent to customers and we informed TECQ. We have 24 hours to inform TECQ; we were in compliance for all of that timeline. When the BWN was rescinded on Saturday, customers were notified and we had 24 hours to inform TECQ when our readings came back normal. We have 10 days to submit a Certificate of Delivery. Throughout the whole process, BRRWSC stayed in compliance with TECQ and worked with an investigator. He was pleased and let us know we were over informing our customers.

3. On the water report Steve S. is going to have Jason look into other testing facilities, we don't want to spend any more money on issues UGRA is creating.

4. Worked on resolving a letter we received in July, a notice of violation involving chloriform, we found the records, submitted it and they removed the violation on August 19th, 2026. Anytime they find any missing information they let us know and we work with TECQ to clear them, we want to keep in compliance with TECQ. Vera M. had worked on violations issued prior to her Presidency and prior to this new board and the new License C operator, violations dating from 2023 and up to January 2024. Fines accumulated close to \$5,000. One example was the former operator working without a correct License C, he had a D.

Banking Updates: (Vera M.)

1. Updates done with changes of membership, updated new address and signature cards by removing Tom Cook our former treasurer and added new member Gloria Mejias.

2. Moved money from Money Market to CD as discussed earlier in the financial under Treasurer's Report because we were losing money by keeping money in a money market that had a low percentage.

New Business:

AIA Insurance Review and Coverage: (Vera M.)

1. This is done annually with Vera M., Steve S. and input from the operator. A new committee was formed tonight with Vera M. and Steve S. and Dave K. to review pre-renewal documents. Documentation will be closely reviewed on what they will cover and on a quicker time frame for reimbursements.

2. Called them today, we need to make an insurance claim for the lightening strike on Well #4. We have a printout on the statement of cost for repairs, everything was replaced and was kept to show the investigator.

3. Will ask them about Well #1, last years repairs was about \$15,000. Currently, repairs to Well #1 was \$2,220 Well #4 was \$19,663.54 so if they cover it, the policy will pay for itself. Will also ask about coverage for new tank.

Signage: (Vera M.)

Board shown two options of door signs Bandara Signs can make for us that will be displayed on our front door, a see through window version at \$395 and a regular vision block for \$185.

MOTION: Steve S. moved to approve \$400 for door sign. Dave K. Seconded. The motion passed.

Budget: (Vera M.)

1. Committee formed for Budget 2027 with Steve S. and Gloria M. as members. There is an opening for a customer to be involved in the committee, invitation given to those present, no volunteers at this time.
2. We have to form committees because more than 3 members is a quorum.

Membership Comments:

Mark Hall

1. Ask what is the new tank that is ordered made of, is it galvanized inside and out and what is the life span? Steve S. informed him that it is the same tank we have at all of our well sites, a double wall with a bladder inside, bolted together, same color, matching everything already there, provided by the same company. There has a warranty but if maintained it will last a very long time.
2. Ask if the pumps, motors and piping are part of the cost or is it separate? Steve S. informed that our water company is two-fold in that we have a production side and a distribution side, we can't distribute what we can't pull out of the ground, we have 7 wells and a ton of storage the problem is we don't have enough storage when we have issues to compensate for the number of connections. The State has an algorithm that states we are required to provide so many gallons per minute, per person, per household and we have to comply with that. That is why we chose to sent out Resolution 25-1, we get to pick and choose based on necessity and location for new meters, we choose a paying customer versus a non-paying non resident, that is why we do a rate review to look at the cost of doing business expansion and meters. Production needs a tank to put it in, of our 4 well sights all are boosted except for Lantana. They all have a booster and backup except Lantana which is gravity fed. We also own Perennial's well system and maintain it. We found that when it rains we lose power to some of the sights because of the two phase system, eventually we will need to upgrade to a three phase system.
3. Ask what is the recovery rate with filling the tanks? Steve S. informed him that we keep the tanks $\frac{3}{4}$ full and if the pumps can't keep up we look into why it's not happening, that was our trigger into Riverview. We looked for a leak, none was found and normally we get an alert of a leak but we didn't get one. The leak was was going down in an overgrown wet weather creek, in a greenbelt, across from the water plant where it was hard to find. Years ago when the system was put in place they cut an 8-9 inch line through rock and laid a 6-8 inch pipe in it, it was embedded wrong and a root grew along the line and imploded the pipe, at the same time we dumped Well #4 to make repairs which was a perfect storm waiting to happen.

Randy Dougherty

Asked what was the cause of the Boil Water Notice? Steve S. informed him that the reason for the BWN was because we are a state regulated entity so whenever pressure falls for a certain period of time, below a certain rate for any number of customers that was our trigger for the notice. It was not because of any danger to the water or testing that showed anything but it was triggered from the lack of flow, the PSI which we were working on and it was compounded by the issue we were having, at the same time trying to be compliant. If not for the Class C operator we have it would have been way worse. March 2024 was the last time BRRWSC was on a BWN for 7 days this time it was 4 days which was a record time. The reason the whole subdivision was placed on BWN is because TECQ requires everyone be notified.

Mike Ruiz

1. Is there a map to the pipeline network? Steve S. answered no.
2. Are allocation meters for the tanks being monitored daily at the plants, are they monitoring what's coming into the tank and out to the customer, are the meters digital? Steve S informed him everything is digital, everyone plant has the same meter coming out of the ground and monitored daily also what's going to the customers. Leaks can be found if there is a big stretch.
3. Asked about valves throughout the neighborhood. Steve S. informed him that he, Jason and his workers went about a year ago and mapped throughout the neighborhood valves that weren't working properly which weren't many, about 8 or 10 that will be work on. Vera M. also informed him that Jason has been with BRRWSC since April 2024, he came into an old infrastructure where maps, paperwork were missing and an operator's handbook has not been found.
4. Asked if there's any maintenance on the pumps by the water well companies to do daily or periodic checks on strains to the system? Steve S. informed him that we do our reports with the company and 3 of our wells are fairly new, the other three wells have all been pulled within the last year and 2 within the last month.
5. Asked about the one well that was down on the rate? Steve informed him that he was talking about Well #4 being at zero because it was struck by lightening, we didn't know we had lost pressure until Well #3 lost pressure.
6. Asked if we trucked in water for Riverview? Steve S. answered yes and it had to be approved by TECQ, we followed regulation that is set up to do that. The reason we made the call to do that was to top that tank off and give the well a rest, if no rest time given regeneration down the hole we're just going to keep sucking it dry.
7. Asked about leaks on Fawn Rd and other roads, is there a way of tracking leaks? Steve S. informed him that we start at the larger lines at the site and work our way out and try to figure out how to keep the water on while doing hot repairs.

Tasha Ries

1. Asked about why she and others didn't get BWN notices through the call multiplier, they have put in request to be included and are not yet receiving notifications? Steve S. asked her what is her phone and who is the carrier, then she answered iPhone and AT&T, she was informed that with those companies a lot of times they automatically send messages to SPAM. Vera M. informed her messages are sent out to one person in household, she apologized to customer and said she will work with her and see if her name is on the list.
2. Asked about the BWN on the postal board and because some people go late to their mailboxes and don't read the notices does she need to call her carrier? Vera M. informed her that she could get on the App through her phone and check for SPAM.

Mark Hall

Because of the large number of the community is on Facebook he asked if messages to customers can also be sent through Facebook. Vera M. informed everyone that a year ago the board made a decision to stay off of social media platforms and to only go through proper channels.

Mike Ruiz

Asked if there's been any new meter installations in the past 2 years, he heard there had not been any. Vera M. informed him that was misinformation, no new installations were about the past month. We will be renewing the Resolution 25-1 in September's meeting, until we get the new tank in we need to slowdown the input of meters to make sure all our customers have enough water.

Steve S. and Vera M. explained that yes once the tank is installed it will help us get off of Stage 4 water restrictions. It doesn't matter how much rain we get because of the percentage that TECQ requires for how many customers we have we need to have so much of water in storage per meter. In 2021 we had an influx of new building during COVID that pumped us up. What affected us was the number of new homes with the drip sprinkler systems, we have to account for the 5,000 to 8,000 water gallons they dump when used.

The Increase in Rate letter we sent out November of last year still doesn't get us to where we need to be, we're trying to increase the rate slowly because we are behind in keeping up with inflation. We had not had a proper rate review done to keep up with inflation. This money goes towards infrastructure. The goal is to have half a million gallons and improve the distribution sites depending on the growth of the community. This community is in a very good position, within Bandera County you can not put in a new well unless you have 10 acres.

Mike Dowd

Asked if he heard right that the new tank will take us off restrictions? Steve S. answered yes and we would still have to abide by what the county is doing and will give us ability to ease some of those restrictions. If we have some type of failure we may temporarily go on some sort of water restriction until we build the tank back up but it won't be nearly as bad as where we are without that piece of the infrastructure. We have 7 wells and 2 aren't pumping anything because we just don't have the storage.

Mark Hall

Stated he wanted to "give kudos to Jason and Steve for the work they do, there probably isn't a handful of people in this whole subdivision that we live in who would be willing to climb into a muddy ditch and do what they're doing".

Executive Session: 7:36 pm

Board met in executive session to discuss customer issues, CRI and meters.

Reconvened at: 7:46 pm

MOTION: Steve S. moved to adjourn. Dave K. seconded. Unanimous agreement to adjourn at 7:47 pm. The next regular board meeting will be held on Thursday, September 17th, 2026 at 6:00 pm.

BRRWSC President,

Vera Mendoza_____

BRRWSC Secretary,

Gloria Mejias_____