

Double Horn Creek Water Supply Corporation

Minutes of Meeting of Board of Directors
7:00 P.M. AT 103 Vista View Trail, Spicewood, TX
February 18, 2020

Meeting called to order at 7:07 p.m.

- ❖ Curtis Raetz, President
- ❖ Pilar Chiodo, Secretary/Treasurer
- ❖ Harry Brunner, Director
- ❖ Roger Trejo, Director
- ❖ Brent Taylor, SUS
- ❖ Glen Zoerner, Member

1. Discuss and approve minutes of previous board meeting:
 - ❖ Motion to approve by Harry Brunner, seconded by Pilar Chiodo, all approved.
2. Open discussion:
 - a) Annual meeting action items.
 - i. Curtis coordinated with the Double Horn HOA and agreed on a January 23, 2021 date for the next annual meeting.
3. Operator's report and discussion/update:
 - a) Water plant is running well and no issues to report.
 - b) Received letter from TCEQ regarding the start of quarterly water quality perimeter sampling and bi-annual lead and copper sampling due to well #1 polyphosphate addition. If samples are good, TCEQ will revert to a less stringent water sampling schedule.
 - c) Well shelters will be completed by March 2020.
4. Drought contingency monitoring:
 - a) All wells are status green.
5. Financial and business operations review:
 - a) Signed checks for Taber & Burnett, Spicewood Utility Services, and Jose Perez (reserve service charge refund).
 - b) Reviewed bank statements, income statement and balance sheet.
 - i. Fraud protection update. Received e-mail from Treasury Management to schedule a date for a training session prior to the implementation of the PositivePay system which should be up and running by the next board meeting.

- ii. Financial review update. Harry Brunner reported that he has not found any volunteers yet to do the financial review. He will continue to work the issue.
- c) Review director's and SUS end-of-month (EOM) reports.
 - i. Late accounts have been paid.
 - ii. Discussed account with non-payment of reserve service charge. Owner is selling the property and new buyer will have to pay the \$4500 transfer fee.
- d) Reserve and operations account review and balance.
 - i. Discussed the transfer of \$50,000 from operational account to reserve account. Main reason for moving the money is as an added measure of fraud protection. Motion to approve by Harry Brunner, seconded by Curtis Raetz.

6. Tasking/planning:

- a) Tax planning and preparation actions.
 - i. Taber & Burnett has everything they need to begin the 2019 tax return. Only missing items are the 1099-INT tax documents; these documents will be delivered to them next week.
 - ii. Draft tax return will likely be received in March timeframe for review by the board prior to filing.
- b) Insurance planning update.
 - i. Reviewed Les Shroyer's handout that contained current insured value of water plant versus the estimated replacement costs that were contributed by Brent Taylor of SUS. Discussed whether we are fully covered, how much coverage is enough given our reserve account balance, and amount of deductible we are willing to pay in exchange for lower premiums.
 - ii. Curtis indicated he would like to include an insurance professional in future discussions to ensure that we obtain the insurance that best meets the needs of the water company.
 - iii. Next insurance renewal is in October of 2020, and the board would like to have the new insurance plan agreed upon before the renewal date.
- c) Fire prevention water tank(s) project.
 - i. Discussed approach to the water tank(s) project and possible water tank locations.
 - ii. First water tank will likely be funded entirely by DHCWSC even though the water will be accessible to communities outside of Double Horn. Member objected to this and suggested we solicit partner(s) for the funding and made suggestions for possible partner(s) to solicit. Curtis agreed that we would solicit partner(s) but the first water tank would be funded entirely by DHCWSC so as to get it in early. This is what was discussed and approved at the annual meeting.
 - iii. Curtis Raetz agreed to be project manager. Harry Brunner and Roger Trejo agreed to be on the subcommittee. The subcommittee will not have any spending authority that is not cleared by the DHCWSC BOD. Motion for subcommittee with Curtis Raetz as

Project Manager, Harry Brunner, and Roger Trejo made by Curtis Raetz, seconded by Pilar Chiodo.

d) Computing assets update.

- i. The DHCWSC.ORG website is very difficult to maintain and navigate. There is a need to put together a better website with the current GoDaddy platform. Pilar Chiodo took action to get feedback from Mayor Cathy Sereno about the City of Double Horn website platform.

7. Member and public comments:

- a) Brent Taylor of SUS requested that the BOD meeting be held at an earlier time during the day. After discussion, it was agreed that the board would now meet at 5:00 p.m. Location will be the Professional Civil Process (PCP) conference room if it is available at the new time. If not, the board will meet at the Spicewood Utility Services building/office.
- b) Member complimented the quality of the minutes.

8. Other business properly brought before the meeting:

- a) Harry Brunner indicated that between well #2 and his property line there is a valve that is in a round manhole with no cover. Unsure if it is a water company issue or a POA issue, but it is certainly a safety issue. Harry Brunner took action to contact Brent Taylor of SUS to resolve this problem.

9. Action item review and set next meeting date:

- a) Next board meeting is scheduled for Monday, March 23, 2020, at 5:00 p.m.

10. Adjourned at 8:18 p.m.

- ❖ Motion to adjourn by Roger Trejo, seconded by Curtis Raetz, all approved.