
Double Horn Creek Water Supply Corporation

Minutes of Meeting of Board of Directors
6:00 p.m. at 103 Vista View Trail, Spicewood, TX
January 27, 2022

Meeting called to order at 6:07 p.m.

- ❖ Curtis Raetz, President
- ❖ Ed Coleman, Vice President
- ❖ Pilar Chiodo, Secretary/Treasurer
- ❖ Roger Trejo, Director
- ❖ Harry Brunner, Director

1. Summary of meeting notice published. Confirm a quorum is present.
2. Distribution, Discussion, and Approval/Modification of the December 16 Meeting Draft Minutes. Motion to approve by Roger Trejo, seconded by Ed Coleman, all approved.
3. Member and Public Comments: None
4. Operator's Report and Discussion/Update
 - a. Completed and ongoing/upcoming efforts.
 - i. Work has begun on the water storage tank. Still on track for March/April completion.
 - ii. The emergency generator has been ordered and is on a similar schedule as the water tank.
 - iii. Harry and Brent working on the TCEQ Emergency Preparedness Plan (EPP) in accordance with Texas Water Code 13.1394(a). In accordance with the plan, Harry has notified 4 agencies with our emergency contact lists. These agencies are Public Utility Commission (PUC) of Texas, Pedernales Electric Co-op (PEC), Texas Division of Emergency Management, and the Burnet County Office of Emergency Management. The list has been accepted by 3 of the 4 agencies; currently in process of being accepted by PEC.
 - iv. Discussion regarding what caused delays in ordering the emergency generator that would meet our specifications, and how to avoid it in the future. We do have

access to a temporary generator, if necessary, before the permanent generator arrives.

5. Water Restriction Monitoring and Planning

- a. We have three years of well data now. We have changed the well pumping schedule to alleviate well #3. Well depths continue to look healthy, no action required.
- b. Transducer installed in well #4 taking daily measurements. Transducers for the other wells are on hold while we obtain more information on pricing and some of the current projects complete.

6. Financial and Business Operations Review

- a. Signed invoices for Taber & Burnett, Spicewood Utility Services, and two checks to Cobb & Counsel for legal services. Earlier in the month, an invoice was signed for work done by TTE, LLC on the water tank project. Also received letter from Taber & Burnet about new monthly fees for 2022.
- b. Reviewed Bank Statements, Income Statement and Balance Sheet
 - i. Everything as expected, no action required.
- c. Reviewed Director's and SUS End-of-Month (EOM) Reports.
 - i. Even in winter months we are pumping a lot of water due to the increase in housing. Wells are showing good returns so far so no need to worry.
- d. Reserve and Operations Account Review and Transfer.
 - i. Discussed transferring money from the reserve account to the operations account for payment of water tank and emergency generator project costs. Curtis made a motion to transfer \$110k from reserve to operations account in anticipation of the project expenses coming due in March and April, seconded by Pilar Chiodo, all approved.
- e. 2021 tax return status/update.
 - i. Mailed the 1099 forms to our vendors; Taber & Burnett working on the tax return.

7. Discussion, Update, and Action

- a. Emergency/Disaster Planning and Response Subcommittee
 - i. Accounts were created on TextMagic for Curtis and Ed so they can send emergency texts if necessary; short user's manual was also distributed.
 - ii. Some of the PEC sub accounts have incorrect service addresses; Harry to resolve this issue with PEC.
 - iii. The EPP is due on March 1 and continues to be worked by Harry and Brent.
- b. Tariff Review and Proposed Changes

- i. Reviewed the Tariff changes to be incorporated; resolution will be effective March 1, 2022, to allow for a 30 day notification to members. Curtis will send an email to all members regarding the rate changes to potable water. The two primary changes to the Tariff, as discussed at the annual meeting, are the rate changes and the option in the New Member packet to withhold email information. The proposed changes to the rate change and the New Member packet were put forward to a motion and approved by all members of the board. Curtis and Pilar to sign off on the changes.
 - ii. Agreed to review section G of the Tariff (Water Conservation and Drought Contingency Plan) throughout the year in preparation for changes next year. Things to consider are the triggers that need to be designed into water restrictions: climate, e.g., drought conditions, recharge measurements, and usage.
- c. Well #4 Dispute
- i. DHCWSC has a chain of title that dates back to the developer and was verified via the original new well documentation submitted by the licensed driller that drilled well #4 back in December of 2011. It should be noted that every owner since then has accepted the easement and transferred it to the next owner. In an attempt to sustain the easement agreement with the current property owner, the above documents and request to affirm the right of way were formally submitted to current property owner via email. To date, the property owner has refused to sign or recognize the easement.
 - ii. Curtis Raetz, President of the Water Board, made a motion to take the following actions: 1) in order to ensure legal recognition of the Water Board's position and the supporting documents by the property owner, send a certified return receipt requested copy of the original email to the owner, 2) consult with legal counsel, Cobb & Counsel, to determine legal path to ensure our community has access to this valuable asset and in turn the fragile water resources accessible from it, and 3) determine if there are any risks we don't know about. Seconded by Ed Coleman, all approved.
- d. City of Double Horn Request to Discuss Feasibility to Provide Water Service Beyond Current service Area/CCN Boundary
- i. Discussed the formal request from the City of Double Horn to determine what the requirements would be to provide water outside the CNN if DHCWSC was asked to do so. Board agreed to acknowledge the receipt of the letter and state that we will look into the mechanics of expanding service.
- e. Resolution of Board of Directors Unopposed Election

- i. No ballots were received for the open board open positions resulting in an unopposed election. Curtis and Pilar signed the resolution to seat Harry, Roger, and Curtis for another 2 year term. The board decided to keep the existing officers in their current positions: Curtis Raetz, President; Ed Coleman, Vice President; Pilar Chiodo, Secretary/Treasurer; Harry Brunner, Director; Roger Trejo, Director.

8. Current Activity and Priority Planning

- a. Complete existing special projects, i.e., water tank and emergency generator.
- b. Respond to the City of Double Horn regarding the request for feasibility study.
- c. Make the updates to the Tariff which will become effective March 1, 2022.
- d. Continue to watch our money expenditure and water consumption.

9. Other Business Property Brought Before the Meeting: None

10. Review Past and Current action Items and Set Next Meeting Date

- a. Pilar completed setting up emergency text messages in emergency situations.
- b. Curtis and Brent agreed to use pea gravel for the foundation of the water tank.
- c. Harry to continue to work on EPP compliance with Brent Taylor; deadline is March 1, 2022.
- d. Curtis to register DHCWSC with TRWA.
- e. Curtis to talk to Central Texas Groundwater Conservation District about creating a recharge restriction zone.
- f. Curtis to send certified copy of letter to property owner where well #4 is located.
- g. Curtis to consult with Cobb and Counsel regarding litigation issues.
- h. Pilar to transfer \$110k from reserve account to operating account.
- i. Harry to resolve service location addresses with PEC sub accounts.
- j. Next meeting date scheduled for Thursday, February 23, 2022, at 6:00 p.m. at 103 Vista View Trail, Spicewood, Texas.

11. Adjourn

- a. Adjourned at 8:36 p.m. Motion to adjourn by Harry Brunner, seconded by Roger Trejo, all approved.