
Double Horn Creek Water Supply Corporation

Minutes of Annual Membership Meeting
9:00 a.m. at Spicewood Community Center
7901 CR 404, Spicewood, TX 78669
January 27, 2024

Meeting called to order at 10:46 a.m.

1. Welcome and Introductions
 - a. Meeting Purpose
 - i. Two primary reasons for the meeting are to validate the results of an unopposed election and to approve the 2024 annual budget.
 - b. DHCWSC Directors Present
 - i. Curtis Raetz, President
 - ii. Harry Brunner, Vice President
 - iii. Pilar Chiodo, Secretary/Treasurer
 - iv. Roger Trejo, Director
 - v. Sig Sereno, Director
2. January 2023 Meeting Minutes
 - a. Distribution (via email attachment) and Quorum.
 - i. Five directors present and members present make up the quorum; quorum present.
 - b. Discuss and Approve
 - i. No member questions regarding the minutes. Motion to approve minutes by Harry Brunner, seconded by Roger Trejo, all approved.
3. 2023 Annual Review
 - a. Infrastructure
 - i. Currently have a network of three production wells and a fourth monitoring well. Pumped 8.03 million gallons in 2023. Discussed the well water depth monitoring “stoplight” chart. The monitoring well is monitored by the Central Texas Groundwater Conservation District (CTGCD) to check the water depth of our aquifer.
 - ii. Advanced Metering Infrastructure (AMI). AMI, also known as “smart water meters”, were successfully installed in a pilot effort in October-December 2022. Subsequently installed more throughout the DHCWSC system in 2023. The budget was seventy thousand dollars and the total installation cost was forty five thousand; the city of Double Horn donated a generous ten thousand dollars to the project. The installation of smart meters has improved water conservation and leak detection.

iii. Drought monitoring and water use restrictions are in place. We began 2023 in Stage IV water restrictions and are now in Stage III. There has generally been excellent compliance as noted by a decrease in 2023 water consumption. Fourteen excessive water use violation notices were issued which indicates members exceeded twenty thousand gallons per month. We maintain a “stoplight” chart that we review monthly to determine the health of the wells and water levels which allows us to set the stage levels. We currently have a stressed system of wells with marginal recharge due to the 2022 drought carry over and continued 2023 drought.

b. Business Operations

i. Joint City of Double Horn, Double Horn Improvement Association, and DHCWSC Water Conservation Partnership. This partnership works to make things happen for the betterment of the entire community. This partnership installed water conservation signs at all Double Horn entrances which will change according to the drought stage.

ii. Rate Increase. Prior to the 2023 annual meeting the DHCWSC board analyzed 2022 operating costs and noted higher costs for operations expenses such as electricity, bookkeeping/tax preparation, operator’s contract, and insurance. Since the board holds a responsibility to maintain sound fiscal practices and DHCWSC solvency, a resolution was passed to increase water rates by ten percent which became effective March 1, 2023.

iii. Spicewood Utility Services (SUS) Ownership Transition. TTE LLC (SUS parent/owner) has agreed to sell SUS to Curtis Jeffrey. Mr. Jeffrey is a skilled water technician with over thirty years of experience in the water service industry and he holds a Water Operator A license from the Texas Commission on Environmental Quality (TCEQ). Transition occurred January 1, 2024 and the expectation is that contracted services and costs will be unaffected.

4. 2024 Plans

a. Business/Operations

i. Continue and Enhance the Joint City of Double Horn, Double Horn Improvement Association, and DHCWSC Water Conservation Partnership. Will work on such projects as speaker presentations for native plants, rainwater harvesting, drip irrigation systems, pool coverings, and welcome packets to new residents.

b. Debt Servicing

i. Maintain water plant debt servicing. Our long-term debt for the water plant is now one hundred and eighty-four thousand dollars with annual payments of eight thousand dollars. Board agreed to thirty thousand for debt buyout. Forestar, the original developer, may be interested in such an offer in order to close the books on this matter.

ii. Continue annual payments for the firefighting water storage tank easement rights which started at one hundred dollars a year with a five percent annual increase.

c. Special Projects

i. Water Rate Analysis. We contracted with B&D Environmental to perform a rate analysis to determine if our rates are sufficient to cover expected costs for the next two to four years.

ii. Tariff Updates. The tariff needs to be updated to take into consideration smart meters, align drought monitoring and water use restrictions with the CTGCD, and update business practices.

iii. Deep Well Project. Must plan for fully built out community of approximately one hundred and seventy meters which will require a minimum forty percent increase in water production. Also

need to take into consideration that a substantial population growth in southern Burnet County will stress our current well system. We will need to connect to another water system, increase well production through acidation, drill a new Ellenberger-San Saba (ESS) well, extend current well(s), or drill for a deep aquifer well (Hickory or Mid-Cambrian). Any of these options will require a sinking fund to help pay for the project.

Questions/Comments from attending members:

1. Attendee wants to know about the quality of any water we obtain from the new well(s). The quality and the quantity of the water is unknown right now. Another attendee indicated that we already have the facility and infrastructure in place to treat new water sources.
2. Attendee thanked the board for the analysis that has been done but stressed that we need to do less analysis now and take more action. The board replied that the analysis now is to determine where to dig and whether this deep well is a viable project.
3. Attendee asked if the quarry (Spicewood Crushed Stone) well's depth will be the same level of our new well. The quarry well is at about eleven hundred feet and is at the bottom of the Ellenberger-San Saba and currently does not interact with our wells. We do not know at what depth our new well will be at.
4. Attendee asked if the current water facility is sufficient to pump any new water we would obtain from new well. The answer is yes, our current facility is more than adequate to pump any new source of water.
5. Attendee asked if we have been approached to sell our water and where does the board stand on this. The board has agreed to never sell our water to another organization.
6. Attendee asked that the board make obtaining a loan for the new well a top priority.
7. Attendee asked if there is a time limit on well permit(s). Answer is unknown, but the board will have to hire a project manager to handle the details like cost estimates, financing, schedule.

5. Members Approve/Reject Annual Budget

- a. Reviewed 2024 proposed budget. Questions from members/attendees:
 - i. Harry Brunner made a motion to approve the 2024 budget and all the projects discussed, Roger Trejo seconded. All members in attendance approved the motion. The motion passed and the budget was approved.

6. Board and Member Actions

- a. Resolution to seat four unopposed candidates for DHCWSC Board of Directors was reviewed. Roger Trejo, Curtis Raetz, and Sig Sereno for two year terms, and Harry Brunner for a one year term. Resolution will be accepted at the next board of directors meeting on February 20, 2024.

7. Adjourn

- a. Adjourned at 11:39 a.m.