

Double Horn Creek Water Supply Corporation

Minutes of Meeting of Board of Directors
2:00 p.m. at 103 Vista View Trail, Suite 100, Double Horn, TX
November 18, 2042

Meeting called to order at 2:02 p.m.

- ❖ Curtis Raetz, President
- ❖ Harry Brunner, Vice President
- ❖ Pilar Chiodo, Secretary/Treasurer
- ❖ Sig Sereno, Director
- ❖ Curtis Jeffrey, SUS Representative
- ❖ Alicia Luhrs, Member
- ❖ Ed Coleman, Member
- ❖ Utskot Svein, Member
- ❖ Cathy Sereno, Member

1. Summary of meeting notice published. Confirmed a quorum is present.
2. Distribution, Discussion, and Approval/Modification of the October 22, 2024 meeting draft minutes. Motion to approve the minutes by Sig Sereno, seconded by Harry Brunner, all approved.
3. Member and Public Comments:
 - a. Alicia Luhrs, who has been a member since 2007, thanked everyone on the board for serving. Reminded everyone present to ask themselves what they can do to make things better.
 - b. Sig Sereno thanked Curtis Raetz for helping him put up the red “for firefighting use only” sign at the water storage tank in response to a member observing a water truck pull up to the water storage tank.
4. Operator’s Report and Discussion/Update.
 - a. Curtis Jeffrey stated that everything at the plant is operating as it should.
 - b. Ed Coleman brought up productivity of well number three and whether the board had done anything to make the well more productive. Curtis stated that we had deferred that because the well pump test back in April 2024 resulted in all the wells being within one gallon per minute of the rating of the pump so there is no indication that the well

filters need to be cleaned. Ed recalled at a prior board meeting that the water from well number three was at a lower capacity than what had been seen in the past. Curtis Raetz said that one of the issues associated with this is reduction of head pressure because the water levels are low. Curtis Jeffrey stated that another reason that well number three is pumping less is because it is turning itself off due to low water level; there is no advantage to acidifying the well now due to low water table.

- c. Curtis Jeffrey attempted to find the meter at the West Trail entrance and does not believe there was ever a meter there. He will have to dig down to the main and put in a valve for the connection which will be more expensive. Asked Curtis Jeffrey to hold off on this right now as it is not a priority during drought stage four.
- d. Curtis Jeffrey stated that the cost to build a storage for the generator and pump at well number one would be approximately eighteen hundred dollars.

5. Confirm Next Meeting Date/Time. Next meeting date scheduled for Wednesday, December 18, 2024, 2:00 p.m. at 103 Vista View Trail, Suite 100, Double Horn, Texas. This time accommodates Curtis Jeffrey, whose input is invaluable to our meeting, and now that the meetings are almost three hours long, a 2:00 p.m. start time is preferred. Ed Coleman wanted it noted that he objected to the two o'clock time and prefers to have it later in the day to accommodate more members.

6. Drought and Water Restriction Monitoring, Planning, and Member Communications/ Actions.

- a. Reviewed long-term well depth and water pumped graphs for all three wells. Given the trends depicted by this data, the board recommends acknowledgement that we must be prepared for a continuing and prolonged drought cycle. Thus, we must establish a planning assumption that within two to three months or sooner our wells will be dry if we do not take corrective action. Simply, this means that we will plan and act as if the wells will be dry within 2-3 months. It is difficult to predict precisely when a well will run dry, but we cannot risk a wrong decision.
- b. The prudent course of action is to begin hauling water. This would serve two purposes:
 - i. Establish the processes necessary to efficiently supplement our well production with hauled water.
 - 1. The mechanics of getting water into our system (gate codes, delivery thresholds, schedules, monitoring, valves, hoses, etc).
 - 2. Blending different types of water disinfectants (chloramine and chlorine).
 - 3. The process of billing our members to cover the costs of hauled water. All hauled water costs will have to be replenished by the membership

proportionally to how much water each member uses. Pilar Chiodo to work with Samantha Jeffries to put surcharge on every bill based on new water hauling rates.

4. Member communications. Must communicate the urgency and our plans to the members in order to get buy-in. Communication via Facebook, email, TextMagic, and website. Curtis Raetz, Pilar Chiodo, and Harry Brunner to work communications to members.
 5. Regulatory agency communication. Will have to inform the Texas Commission on Environmental Quality (TCEQ) of our plans before we begin execution. Curtis Raetz and Curtis Jeffrey to work on getting TCEQ approval for the water hauling plan.
- ii. Provide for partial long term well recharge/relief due to decreased demand. Harry Brunner asked how much recharge we need at the wells to keep the current levels the same. We do not currently have an answer to that. Hauling in water will not recover the wells, but it will hopefully keep them from running dry.
- c. Initially, it is recommended we haul in about eight to ten thousand gallons per day which is slightly less than fifty percent of our current consumption. This is estimated to cost over one thousand dollars per day. We can use operational and/or reserve funds to start the process. However, we must rapidly transition to a supplemental charge on the monthly bills to cover these costs. Sig Sereno took action to contact water haulers to get estimates.
 - d. Other actions that were discussed:
 - i. Purchase and install transducers in each production well to improve well management. Currently we take manual well readings as needed, typically once a month, but this does not allow for more enhanced well management. Transducers would automatically take readings at least daily. Curtis Jeffrey discussed the many features of some transducers and was given the action to get quotes and recommend a transducer that would meet our needs.
 - ii. Install electrical cut off circuit for pumps if well water level drops below the pump level. This cut off circuit exists for well number three but not on wells one and two. The right transducer might eliminate the need for a ~~soeial~~ special cut off circuit so this will have to be weighed in with the final cost.
 - iii. Establish water hours, e.g. shut off water during certain times. This suggestion was quickly shut down by Curtis Jeffrey and Harry Brunner because of water pressure issues.
 - iv. Publish the names/addresses of top water users, e.g. accounts that use greater than ten thousand gallons each month. One recommendation was to list

everyone's usage regardless of excessive users. Board members were not comfortable with revealing account numbers or addresses, or whether it was legal.

- v. Proceed with rate adjustments to encourage monthly use under ten thousand gallons per month. Discussed whether the limit should be ten thousand or five thousand gallons per month before we raise the rates. New rates, if implemented, would likely take effect in March of 2025.

7. Financial and Business Operations Discussion, Update, and Action

- a. Wrote checks for Spicewood Utility Services (SUS) and Oliver, Rainey, and Wojtek (ORW).
- b. Reviewed Bank Statements, Income Statement and Balance Sheet. Balances as expected, no action required.
- c. Reviewed Director's and SUS End-of-Month (EOM) Reports. There were two accounts over the threshold this month which used over twenty thousand gallons each. Emails were sent to both.

8. Discussion, Update, and Action as Needed

- a. Requests for Water Bill Adjustment. No requests for water bill adjustments. The board did review the tariff policies and recent adjustments. Curtis Raetz suggested we adopt a qualification/disqualification checklist for bill adjustment. This checklist would disqualify bill adjustment request for members who:
 - i. Have not registered with Waterscope.
 - ii. Have not set Waterscope notifications and used this feature.
 - iii. Have violated water use restrictions within the past year.

If the member qualifies for a bill adjustment, the bill will be adjusted such that:

- iv. The water used before and after the leak will be billed at published rates.
 - v. Leaked water (usually determined with an inspection of Waterscope data) will be adjusted to an average of the water used in the periods before and after the leak and billed at published rates.
- b. Joint City of Double Horn, Double Horn Improvement Association, and DHCWC Water Conservation Partnership. Sig Sereno said that at the last city meeting, the mayor proposed a plan to offer a conservation related rebate program. The city needs to vote on the proposal but it looks like it is headed in the right direction. Would like the opportunity to discuss the rebate program with members at the annual meeting and leverage other forms of communication to get the message out to the community. Also stated that the city council members and the water board members would not be

eligible for ninety days. This program will be on a first come first served basis. Curtis Raetz asked if the city would be in a position to supplement a transducer purchase for the wells. Cathy Sereno could not answer the question but wrote it down for further consideration.

- c. Restricted Use Caution Sign at Firefighting Water Storage Tank. The “restricted use” sign by the water storage tank to discourage water haulers has been installed.
- d. Preliminary 2025 Planning:
 - i. Special projects are water hauling, future water security, and tariff updates.
 - ii. Curtis Raetz to send out annual meeting notice as well as a notice on how to fill out the ballot for those who want to join the board.
 - iii. Reviewed and discussed the draft 2025 budget and made some minor changes. The budget will be reviewed and approved at the next board meeting in preparation for presentation to the members at the annual meeting.
 - iv. Curtis Raetz will put together a draft presentation for board members to review.
- e. Future Water Security Project.
 - i. Marble Falls has officially responded that they are not interested in selling us water. Options are a deeper well or another Ellenberger San-Saba (ESS) well. Curtis Raetz working to identify geologist(s) who can assess what kind of well we need: deep well (Hickory) or ESS. New data shows that the chances of hitting a deep well are slim, and finding good water there are even slimmer due to possible radon and other disqualifiers. This is a very expensive option and we need to have data that ensures our chances of hitting water are much higher. Curtis to continue to discuss these issues with geologists and consultants.
 - ii. Ed Coleman asked whether a request was submitted for funding to external sources to fund the deep well. The board has not made a request because we do not know what plan we will execute or how much money it will cost. Ed disagreed with this and believes we are not doing things in parallel and not making things happen; he then departed the meeting.
 - iii. Harry Brunner asked if the existing wells can be dug deeper; could the pumps be set lower into the cavern to get more water. Curtis Jeffrey indicated that the pumps are usually set close to where the water contribution point is. Setting the pumps too low could set them in stagnant water.
 - iv. Also want to research wells that were drilled at Spicewood Crushed Stone which neighbors our community. They have an Ellenberger well at eleven hundred feet.
 - v. Rate Analysis and Tariff and Policies Update. Pilar volunteered Mike Chiodo to start work on the Tariff since no other board members have time due to other priorities.

9. Current Activity and Priority Planning.

- a. Priority is to continue to work the water hauling effort, future water security, and prepare for the annual meeting to be held on Saturday, January 25, 2025.

10. Other Business Properly Brought Before the Meeting: None.

11. Review Past and Current Action Items

- a. Sig Sereno to contact water haulers to get quotes for hauling in water to the plant on a daily basis.
- b. Pilar Chiodo to work with Samantha Jeffries to put surcharge on every bill based on new water hauling rates.
- c. Curtis Raetz, Pilar Chiodo, and Harry Brunner to work water hauling communications to members.
- d. Curtis Raetz and Curtis Jeffrey to work on getting TCEQ approval for the water hauling plan.
- e. Curtis Jeffrey to get quotes on transducers and make a recommendation to the board.
- f. Curtis Jeffrey to get water flowing at West Trail entrance meter for DHIA use. This action has been put on temporary hold.
- g. Curtis Jeffrey to continue to monitor the Turner controller and check its warranty status.
- h. Curtis Jeffrey to prepare the plant connections to receive hauled water.
- i. Curtis and Pilar to continue work on 2025 budget, water rates, and service availability charge.
- j. Pilar to work with SUS to audit membership database to ensure that the most current contact information for all members is in place to prepare for converting IRIS to TextMagic.

12. Adjourned at 4:25 p.m. Motion to adjourn by Sig Sereno, seconded by Curtis Raetz, all approved.