

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
October 21, 2025

Meeting called to order at 2:01 p.m.

- ❖ Curtis Raetz, President
- ❖ Sig Sereno, Vice President
- ❖ Pilar Chiodo, Secretary/Treasurer
- ❖ Roger Trejo, Director
- ❖ Curtis Jeffrey, SUS Representative
- ❖ Harry Brunner, Member
- ❖ Jim Lindsey, Member
- ❖ Cathy Sereno, Member
- ❖ Cindy Polluconi, Member
- ❖ Laura Rathe, Member
- ❖ Wayne Rathe, Member
- ❖ Mike Chiodo, Member
- ❖ David Reddrop, Member
- ❖ Rodney Stanfield, Member

1. Summary of meeting notice published. Confirmed a quorum is present.
2. Distribution, Discussion, and Approval/Modification of the September 23, 2025 Meeting Draft Minutes. Motion to approve the minutes by Sig Sereno, seconded by Roger Trejo, all approved.
3. Member and Public Comments: None.
4. Confirm Next Meeting Date/Time. Next meeting date scheduled for Wednesday, November 19, 2025, 2:00 p.m. at 103 Vista View Trail, Suite 100, Double Horn, Texas.
5. Discussion, Update, and Action as Needed
 - a. Operator's Report Including Bulk Water Delivery Operations, Operating Metrics, Well Management.

- i. The 3" and 4" smart meters have been installed at the plant and are now operational. One needs an antenna extension for consistent uploads, but it can be read visually until the extension is installed.
 - ii. The booster pump for the chlorine is in place and working well. This will improve the water loss metric.
 - iii. There is a booster pump that is running longer than the other one, which is a sign that it is not pumping water as efficiently. We do currently have a refurbished spare in case it breaks down.
 - iv. The bulk water is helping the production wells stay fairly level, especially since we have not had rain in over a month.
 - v. Dave Reddrop asked whether all the replacement parts necessary for accurately tracking our water metrics have been installed. The answer is yes with the exception of the antenna extension which does not directly affect the metrics since the meter can be read visually. He also asked what percentage water loss is an acceptable percentage; the answer is approximately 5%.
- b. Joint City of Double Horn, Double Horn Improvement Association, and DHCWSC Water Conservation Partnership.
- i. Not much activity with the rebate program which is probably due to drought fatigue since members are not planting as much right now. There is still over seven thousand dollars worth of rebate money available, but no applications have been submitted.
- c. Capital Improvement Planning (CIP). Sig sent a spreadsheet to Curtis Jeffrey for review. Curtis has briefly reviewed it; will make updates and send it to Sig.
- d. Future Water Security Project Update, Including FloodMark Engineering Contract.
- i. The special meeting on September 13, 2025 was well received by the members in attendance. On that day Scott Courtney, the geologist we have contracted, sent an email with a list of potential areas for further consideration and evaluation with respect to developing additional groundwater supplies. Pilar Chiodo contacted all owners and received permission from most of them to walk the properties. Scott Courtney arrived October 8, 2025 to walk the properties but only walked part of Tract 11. He said he could come back and walk the others if necessary.
 - ii. Roger Trejo spoke to the action items he recommends for Scott Courtney which are as follows:

1. Revisit tract 11 for well location near stream bank. This is a good location since a nearby well is producing at 65 gallons per minute (GPM). Take photos of river bank to identify best well location along the fault system.
 2. Visit Eakins well (tract 49) and visit with owners about current pump/flow rates. Find out if well rate is still producing at 35 GPM or if it has declined.
 3. Visit tracts 38 and 39 if owners are willing to give us access. Both of these potential well locations are favorable since they are along the fault system.
 4. Obtain satellite photos/topographic maps of these areas. Should be able to download these from Google Earth. Needs to duplicate Roger's Double Horn map photo that he has on his phone and also create his own maps since this is what he is getting paid for.
- iii. Discussion about lack of schedules from FloodMark and the geologist. Curtis Raetz will work these issues offline.
 - iv. Mike Chiodo has put together a preliminary budget for Phase I (exploratory wells) and the recommended budget is about \$100k which is double what we initially anticipated.
- e. 2026 Planning (Priorities, Projects, Budget, and Associated Topics)
 - i. Future Water Security project is the biggest item. We need to complete Phase I and then plan for Phase II.
 - ii. Pilar Chiodo will distribute a draft budget to board members in the coming week for initial review.
 - iii. Roger Trejo asked if FloodMark had received bids from the drillers. One bid has been received from BeeCave drilling and no other bids have come in. This is unacceptable as we need multiple bids from potential drillers. Roger also suggested estimating drilling to 300 feet so we can penetrate to the SanSaba.
 - iv. Sig Sereno suggested that Jason Ferguson of FloodMark supply his project plan so we can determine if it captures all of the tasks that Mike has estimated. The Phase I project plan and Phase I budget need to sync up to ensure we are capturing all the tasks and costs.
6. Drought and Water Restriction Monitoring, Planning, and Member Communications/ Actions.
 - a. Request for water bill adjustment. None.
 - b. Reviewed well level metrics and there is no good news. The drought continues, the wells have not recharged to acceptable levels, and we continue to stay at Stage IV.
7. Financial and Business Operations Discussion, Update, and Action

- a. Audit Plan and Preparations for New Well Funding Request(s). Still no word from accounting firms regarding yellow audits. All firms have been busy with the extended tax filing deadline of October 15. Will continue to pursue.
 - b. Sign Checks/Invoices for Spicewood Utility Services, ORW, Department of State Health Services, and Ripple 2.0 Bulk Water Delivery.
 - c. Review Bank Statements, Income Statement and Balance Sheet, and Reserve and Operations Accounts Review and Transfer (if needed). The Operations account is starting to decline somewhat, but there is no need to move money from reserve to operations.
 - d. Review Director's and SUS End-Of-Month Reports. Two members in excess of 10,000 gallons per month.
8. Current Activity and Priority Planning. Future water security (Phase I) and succession plan for Curtis Raetz.
9. Other Business Properly Brought Before the Meeting. Jim Lindsey brought up an item that needs to be added to the Future Water Security (FWS) project management schedule. It concerns land use provisions for the Phase II well. In short, a well on private property that is owned by a non-profit corporation is contrary to the land use provisions of the zoning of the City of Double Horn as well as the Double Horn Improvement Association (DHIA) Covenants, Conditions & Restrictions (CC&Rs).
- For the ground storage tank, the city issued a variance but no DHIA vote took place in Section 4 with a two-thirds majority. We did receive written permission from the DHIA, but the DHIA had no right authorize the storage tank without a vote.
 - With regard to the Phase II well, we will need to obtain permission from the two governing entities: the City of Double Horn and the DHIA. So if and when we identify a plat to put a well on, assuming we get the owner's permission, we will also require a city variance and a two-thirds majority vote of the members of the section in question.
 - Mike Chiodo will put these requirements on the task list for Phase II.
10. Review Past and Current Action Items
- a. Curtis Raetz to work with FloodMark and Scott Courtney to obtain schedules for Phase I.
 - b. Curtis Raetz to work on the overall board succession plan.
 - c. Curtis Jeffrey to review end of month SUS reports in a timely manner so they are not continually late.
 - d. Curtis Jeffrey to review Sig's capital spreadsheet and make updates as necessary.

- e. Curtis Jeffrey to get water flowing at the West Trail entrance meter for DHIA use. This action has been put on hold due to the current drought stage.
- f. Pilar to complete initial 2026 draft budget and distribute to board active board members.
- g. Pilar to complete IRIS notification system transfer to the new website alert system.
- h. Roger Trejo to send Scott Courtney a list of action items that needs to get done for Phase I.
- i. Curtis Raetz to work with Mike Chiodo regarding the Phase I detailed budget.
- j. Curtis Raetz to talk with Scott Courtney and Jason Ferguson of FloodMark regarding schedules and drilling bids.
- k. Mike Chiodo to add an item to the Phase II schedule for obtaining a variance from the City of Double Horn and also a two-thirds majority vote of the section that the Phase II well is to be located on.

11. Adjourn at 2:58 p.m. Motion to adjourn by Sig Sereno, seconded by Roger Trejo, all approved.