

Windermere Oaks Water Supply Corporation

Board of Directors Meeting

December 10, 2011

Minutes

Board Members Present:

Pat Mulligan, President

Gary N. Martin, Secretary

Bill Earnest

Dorothy Taylor

Kerry Spradley

Board Members Absent:

Ewell Jackson

President Mulligan called the meeting to order at 10:00 a.m.

President Mulligan asked for a motion to approve the minutes from the previous stated meeting. Motion made by Gary Martin and seconded by Dorothy Taylor. Motion carried.

President Mulligan then asked the Board for their thoughts regarding cutoff procedures or the termination of service by WOWSC for non-payment. Bill Earnest commented that all customers should be treated the same. Bill also stated that a couple of customers needed to be called regarding payment on their accounts. Gary Martin then asked what the cutoff policy was. Dorothy Taylor read the WOWSC Policy on disconnection. Gary Martin asked how many accounts were past due and the amounts. Bill Earnest and President Mulligan stated that some of the past due accounts were over 60 days past due. Dorothy Taylor then stated that we had an account that has not paid since April 2010. Kerry Spradley reminded the Board that our policy is that we first send a late notice, then lock the customers meter but not disconnect service. Kerry recommended that we should probably terminate a customers service once the meter has been locked but that we also really needed to review this policy. Kerry also suggested that we should never allow a bill to get in arrears by more than the amount of the customers membership fee because our alternative is to pull the meter and convert their membership fees against their bill. Dorothy Taylor said that we currently had 20 customers on the past due list, however, some accounts were only 30-60 days past due and the amounts were not very much. Kerry Spradley stated that the Board did have the

latitude to approve a payment plan if the customer requested one, however, the customer would still be responsible for late fees. Further discussion ensued regarding the manner in which past due accounts and disconnections should be handled, however, there appeared to be a general consensus that the Board should be consistent and that all accounts should be handled in the same manner. Dorothy Taylor agreed to assist in developing a policy whereby Dave Embry could communicate more effectively with past due customers.

President Mulligan then asked the Board for a convenient day for everyone to tour the waste treatment plant at Briarcliff. The Board agreed to meet on Friday, January 6th at 10:00 a.m.

President Mulligan then stated that WOWSC applied to LCRA for an amendment to change our annual contract (MAQ) from 55 Acre Feet per year to 59 Acre Feet. Director Taylor pointed out that LCRA determined that we used 58.8 Acre Feet from Sept. 2010 to Sept. 2011 as our base-line for determining our usage for the upcoming Water Curtailment Plan that they are requiring us to file by February 15, 2012.

President Mulligan stated that WOWSC met with the LCRA regarding our curtailment plan which is to reduce our usage by 20%. Dorothy Taylor indicated that anytime the LCRA declares the drought as worse than the Drought of Record, from that point we must demonstrate reducing our usage by 20%. Based on a contract of 59.0 acre feet, it was the opinion of President Mulligan that we would still be in a good position.

Drought Contingency Plan

Dorothy Taylor stated that the LCRA said they would release water from Lake Buchanan every other day until lake level reaches 958. Lake Buchanan is currently at level 988. President Mulligan stated we currently have only 4-5 feet of depth for our pump. Kerry Spradley reminded the Board that we are in a very precarious position and should be very cautious about water usage. President Mulligan suggested that we employ the services of a leak detection professional after we have the baseline set with the LCRA.

Dorothy Taylor stated that Windermere has been on TCEQ's priority list. The TCEQ spoke with the hydrologist at the LCRA who indicated that water would continue to flow downstream. Windermere has now moved from the priority list to the watch list which means that the our community would be monitored.

Gary Martin then suggested that we should revise our drought contingency plan to reflect the LCRA's plan at Ridge Harbor. Gary suggests that as long as our surrounding neighborhoods are not conserving water more, then we are not making much of a difference.

Dorothy Taylor then presented changes to the “trigger points” in our Drought Contingency Plan. Dorothy’s revisions were “open ended” to give the Board a lot of latitude and were very well received by the WOWSC Board. Kerry Spradley commended Dorothy on this adaptive method that we did not previously have. President Mulligan called for a motion to approve these revisions. The motion was made by Gary Martin, seconded by Bill Earnest and carried by a unanimous vote of the Board.

President Mulligan stated that the new skimmer barge would only take a week to build.

Executive Session

There being no further business, the meeting was adjourned at 12:23 p.m.

Respectfully submitted,

Gary N. Martin
Secretary