



Windermere Oaks Water Supply Corporation

424 Coventry Rd
Spicewood, Texas 78669

2016 Board of Directors:
Bob Mebane, President
Dana Martin, Vice President
Dorothy Taylor, Secretary/Treasurer
Jerry Ingham, Director
Jeff Hagar, Director

Open Board of Directors meeting held at the Windermere Oaks Water Plant: Saturday, January 14, 2017.

Board Members Present: Bob Mebane, Dana Martin, Jeff Hagar, Jerry Ingham

Minutes

Bob Mebane called meeting was called to order at 9:30 AM. A quorum of Board Members was established.

Minutes from last meeting on November 19, 2016 were not available for Board approval.

Bob reminded that we have a new website that Dana, Dave Embrey and Dorothy have been working on. Dana advised that people should sign up with their cell phone number or email address for future notifications. Dave is still working on a bill payment method.

Manager's report: George Burris submitted report: At the beginning of 2016 WOWSC entered into a contract agreement with Corix to be responsible for the daily operation of both the water and waste water systems. Their duties included routine monitoring and operation of the treatment plants, lab tests, chemical adjustments, and record keeping, regulatory reports and meeting all requirements for compliance with TCEQ. In addition to providing seven days a week coverage, they bring to our community a uniformed professional staff that WOWSC could not afford if they were hired individually. Also, in case of emergencies they provide a level of redundancy that would be costly, as well.

OTHER ITEMS:

- Ken Penner informed WOWSC that he intended to build a home on Lot 254 adjacent to the water plant, and that the water main at the back of his lot was at some points as much as 75' into his lot, and the pipe would need to be moved. Even though Penner and WOWSC shared the costs, the amount paid by the utility was just short of \$5,000.00.
- The motors and blowers which aerate the sewage in the new treatment plant failed, and the manufacturer agreed to provide new equipment at cost, even though the warranty had expired. The cost to WOWSC was \$8,698.00.
- An actuating control valve on one of the Siemens treatment units had failed repeatedly, and a Siemens technician was called in to install a new valve and program the valve so that it would be compatible with the control program. While on site, the technician checked out the operation of both treatment units and provided training to the Corix operators.
- An aerating compressor was installed in the main lift station to eliminate the buildup of foam which interfered with the operation of the pump controls.

- A new CT study was approved by TCEQ which more accurately reflects the treatment process of our water plant. It also allows more flexibility in the way that the disinfection of the water is achieved.
- A new disinfection process was implemented which reduces the creation of disinfection by-products (DBPs) , which are regulated compounds, without compromising the effectiveness of the disinfection of the water.
- Began injecting an orthophosphate into the water in order to reduce the levels of lead and copper in our water. This action was necessary due to a copper lab test that exceeded the allowable level. And, although there was no lead test that was out of compliance, both constituents are regarded as being linked together in the state and federal regulations. So, in an effort to try to avoid being out of compliance on this serious health issue, our research showed this to be the most economical approach, while still being effective.
- Began aerating the raw water as part of the treatment process.
- A complete round of lab test showed significant reductions in the levels of lead, copper, and DBPs (trihalomethanes and haloacetic acids).
- Explored multiple approaches to resolving the Tennis Village lift station issue.
- Installed a meter on the lines dumping into the backwash pond so that all water is now accounted for. For the first time we have reliable numbers to tell us how much of the water in our system is being lost. Since this addition, the water loss numbers have been less than 10%.
- Two pumps at the water plant were replaced, and two others were repaired.
- The Corix crew repaired a total of nine leaks in the system for both water and sewer mains.
- Began compiling data to determine the feasibility of implementing a rate increase.
- Began the search to find a replacement for Dave Embrey, our billing person, who is retiring.
- Began the research to determine the best approach to provide back-up power at the water plant.
- Ms Hollingsworth posted a concern of milky looking water, but there had been a big leak in the hill circle area and after the repair there were tiny air bubbles that gave the milky look. There was never a health issue, just cosmetic look that went away.

Review of Tennis Village lift station: Bob noted that George and Jeff have been working on it a solution and George indicated that he and Jeff worked on preparing a proposal after various discussions. George reviewed the proposal:

WINDERMERE OAKS WATER SUPPLY CORPORATION (WOWSC) REPLACE LIFT STATION AND SURFACE CATCH BASINS

PROPOSAL presented to TENNIS VILLAGE January 14, 2017

ISSUE: The existing lift station and surface catch basins in the Tennis Village need to be replaced.

SOLUTION: Install two new duplex grinder assemblies with catch basins at mutually agreed upon locations on Tennis Village property. Each location will have a 6' diameter x 6' deep fiberglass tank with a sealed lid, which will contain (2) 2HP grinder pumps. Adjacent to the tanks housing the pumps, will be another tank containing screens, which will serve as new catch basins to protect the grinder pumps from material, which might damage the pumps. The new catch basins will replace the existing Tennis Village surface catch basins, which do not provide adequate protection. The existing catch basins will be removed and the existing pipe reconnected by WOWSC.

COST: Attached is a breakdown of the total cost of the project. The existing piping and catch basins inside the Tennis Village will be reworked at the expense of WOWSC. The only cost to the Tennis Village will be \$11,500.00 for the new replacement catch basins. All other costs will be the responsibility of WOWSC. WOWSC has agreed to carry the initial cost of the new catch basins and be reimbursed monthly by the residents, at a cost of \$4.00 over a (10) year period.

EASEMENT: Since the new grinder assemblies will be installed on Tennis Village property, Tennis Village will need to provide WOWSC with an easement.

OPERATION AND MAINTENANCE: Once installed, WOWSC will be responsible for all expenses: including monitoring, operation, maintenance, utilities, regulatory, and all other costs associated with the new grinder and catch basin assemblies.

LONG TERM BENEFIT: Tennis Village will no longer be responsible for the ongoing maintenance and regulatory compliance of the surface catch basins.

Jeff: Mr Pender was happy with proposal to be able to have their members pay for it over time.

Bob: George did a tour with Mr. Pender last week of the existing catch basins. George has worked with TRWA engineer for suggested replacement method with better suited and better compliance and this proposal is at half the cost of the previous option being considered. This solution would also solve some of the problems we have seen in the last few months.

WOWSC Board members will be attending Tennis Board meeting on the 27th and make a presentation to them with details.

Jeff discussed the map showing the roads. Inside of Tennis Village, it's clear that their lines and catch basins have always been Tennis Village responsibility. Existing is a concern so we would not replace existing catch basins, we would be removing the existing catch basins and install new grinder pumps with protection.

Existing lift stations is owned by WOWSC, per Jeff, old lift station would no longer be operating.

Kern – old minutes noted large items in the collection system. Tennis Village to foot the bill for future problems?

Jeff – WOWSC will be responsible for maintenance of new grinder pumps with catch basins with screens, Corix will service as their routine maintenance.

Jeff – identified locations inside Top Spin Loop in the pampas grass – won't notice they are there. We make presentation to TV Board on the 27th with Tennis Village meeting on 28th. We are going to do this. This is our plan.

Bob – George's work with TRWA to come up with mutually agreeable plan with a better solution and at half the cost. Plan to obtain some bids over next 30 to 60 days.

Question of costs? Jeff: Total \$64,500. 11,500 for catch basins. \$53,000 to WOWSC.

Bob: Original bids of \$100,000 to \$130,000 which didn't removal of catch basins.

Above is Option A, if Tennis Village does not agree to participate, then WOWSC would continue with Option B and we would not remove their catch basins and Tennis Village would be responsible for the catch basins and maintaining them.

Existing building with pumps which is in the ranch of Windermere will be removed.

Review of financial reports: Karri Gibson gave a review of December financials.

Karri indicated financials went to CPA yesterday for tax filings, for CPA to work on depreciation and any journal entries changes needed. Karri will have final numbers for December once she hears back from CPA.

Election procedures: Jeff: Board needs to approve what we are sending out which is the

letter and the Application form for Board of Director prospects. These applications will be due March 3rd. Jeff discussed deadlines during process to get to annual meeting on April 22nd. Noted that there are 3 Board positions open to fill. Dave will send out. Dana made a motion to approve election schedule and materials. Seconded by Jeff Hagar. Approved by BODs.

Review of future projects and required maintenance: George: As far as routine maintenance, nothing unusual coming. We've talked about at some point installing a backup generator at the plant. That will be a major Event in the 5 year plan and looking at over \$100,000 dollars.

As far as routine Maintenance – don't see any big items. We have some pumps and motors if they were to fail could be substantial costs but hopefully these could be covered in normal operating budget.

George was discussing above as routine items that could be inordinate expense.

Jeff, remind timing of generator backup need. Generator will be required at 250 taps.

George we are now in the low 240's with those receiving service.

Bob: George has had several discussions with Vendors re: proposals. This will be the next big item after dealing with Tennis Village. We have a plan and it will not take long to pour slab and get completed. George has 6 bids for installation of new generator.

UPCMONING budget: Karri

Reviewed at last meeting and Karri updated tap quantity. Karri also adjusted the costs for the installation of taps, which has increased.

We need to determine if we want to start an internal reserve fund for future projects and identify which projects this fund would be used on.

Bob has reviewed upcoming projects, suggest transfer \$50,000 from money market to "reserve fund" for future projects and transfer \$3,000 per month to same "reserve fund" while maintaining \$25,000 in the checking account.

Karri: This is would be a line item in the internal bookkeeping (no new account) and would need to identify which specific projects the reserve fund would be used for in the future.

Bob: doesn't think this will jeopardize our rates. George is working on rate analysis.

Dana: this relates to strategic planning.

Karri: Board needs to review and update the items on the strategic plan to include Tennis Village, generators etc. In future, projects can be added to the strategic plans as necessary. Karri is to resend current list to Board members.

Karri: will do a Spreadsheet for projects coming up. For now it will include the tennis village. We also have remaining funds in Money Market and we have a line of credit with bank.

Board was in agreement that creating a reserve fund was a good idea.

Jeff to George: do we know how many meters our infrastructure can handle.

George: when we built this plant we had in mind that the far corner could accommodate another treatment unit. We built the slab with a pedestal under for that future unit which could be needed in another 10 to 15 years.

Dana made a motion to approve the 2017 Budget, seconded by Jerry. Unanimous approved by BODs.

Jerry: what would be the complete built out would be around 350 to 360 lots plus airport and tennis village.

George – when building the water plant if you count everything you could reach 400.

Number is always changing, some replating, which reduces the number but could see additional as well.

Bob: We are now more than adequate for the foreseeable future.

George: WOWSC has responsibility to serve anyone who makes an application within our CCR area, if they are adjacent property to our CCR area, then WOWSC can decide if we provide service up to a quarter of a mile. They would pay for the service lines.

George: Corix which owns Ridge Harbor is planning to build a new water plant. They could have come to us and paid us to expand our plant to provide them water. TCEQ rules say they support and encourage regionalization, but it doesn't really happen.

Question – if we choose to serve someone outside our CCR would that extend our CCR area?

George: No, we would just submit a plan to TCEQ to amend ours.

Do we need to amend our CCR area? George indicated that we did submit to amend the area 2 years ago, but it never got reflected on their maps.

Patti Flunker offered to help.

Old Business/ New Business:

Speakers signed up:

1) Kern Van Eman informed that he is working on a project at the airport at the end of Hollingsworth Road. He will be making an application for water and sewer service for 2 acres being subdivided into 7 lots. He believes there was a leak or storm runoff from airport. Van Eman said he will need to mitigate it. Already has one sewer and water tap. Bob Mebane asked that he meet with George to review the plans. Kern showed a map of proposed property he is planning to replat into 7 tracks. He informed that he had moved a water meter to corner where he believes the tap is, he indicated that lines were moved without him knowing. Mr Van Eman talked about his plan to lengthen the taxiway approx. 120 ft and dead end it into lots and that he is proposing a 5ft easement along northern boundary. He would want to know if WOWSC would grant a 10 ft easement for drainage. Bob requested that Mr Van Eman set up a meeting at a later time with George and other Board members could join to review complete details of his plan.

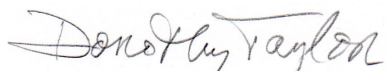
2) Mark McDonald stated that he was delivering additional signatures on the petition previously submitted. Bob advised Mark that additional names would be validated and Bob would get back to Mark.

NEW Business:

Bob presented to the Board an affidavit that would give Central Texas Water Coalition authority to represent WOWSC with TCEQ on adjudication requested by LCRA. Dana made motion. Seconded by Jerry and unanimous approval by BODs.

No other business. Jeff Hagar made a motion to adjourn, seconded by Jerry Ingham, unanimous approval of all board members. Meeting adjourned.

APPROVED BY WOWSC Board on March 11, 2017



Billing Questions: (830) 598-7511 Ext 1

Water or Sewer Emergency: Phone (830) 598-7511 Ext 2