



Windermere Oaks Water Supply Corporation

424 Coventry Rd
Spicewood, Texas 78669

2017 Board of Directors:

Dorothy Taylor, President
Jerry Ingham, Vice President
Jeff Hagar, Secretary/Treasurer
William Stein, Director
Bill Billingsley, Director

Open Board of Directors meeting held: Tuesday, May 23, 2017.

2017 Board Members Present: Jeff Hagar, Jerry Ingham, Bill Billingsley, William Stein, Dorothy Taylor

Minutes

The meeting was called to order at 6:07PM by Dorothy Taylor. A quorum was established and all Board Members were present.

Dorothy Taylor stated the first order of business was to approve the minutes from March 11, 2017 and April 28, 2017. A motion to approve was made by Jerry Ingham, seconded by Bill Stein, all in favor, motion passed.

Second order of business was to consult with our Attorney, Mark Zeppa, on replacement of the Tennis Village lift station. Mark Zeppa participated by phone.

- Mark clarified the deed covenants. The sewer system between the houses and the Tennis Village common area property line are owned by the TVPOA and TVPOA is obligated to maintain. The lift station and on then to the treatment facility are owned by the WOWSC and WOWSC is obligated to maintain. Mark was unsure about where the catch basins fall into the system, so he asked George to clarify.
- George clarified there are catch basins on TVPOA property within their collection system. In Mark's opinion, the catch basins are part of the property of the TVPOA. George concurred. If there's a problem with the catch basins, it's the TVPOA's responsibility to correct. George believes they understand. TVPOA could ask the WOWSC to correct the problem and the WOWSC could bill them for it or TVPOA could hire someone else to make repair.
- Bill Stein asked if there's documentation in the articles of incorporation when the transfer occurred and WOWSC took over the system. Mark concurred. He stated that he prepared the transfer documents and all property transferred. He also stated that the deed restrictions were created when the subdivision was established and have not been changed. Bill asked about the transfer of the lift station and ownership. Mark clarified the lift station transferred and is owned and the responsibility of WOWSC. Mark reiterated that everything within the Tennis Village property line is owned by the TVPOA.
- George clarified that the catch basins are on TV property.
- Dorothy summarized the discussion: the WOWSC is responsible for the lift station and the TVPOA is responsible for the catch basins. Mark concurred.
- Bill Stein asked how to rectify the issue of placing grinder pumps on TV property. George stated that TV has declined WOWSC to allow them to put any facilities on their property. As far as he's concerned, WOWSC would have to rebuild the existing lift station in it's existing location, which if off of TV property. This was new information to some members of the WOWSC Board, as it was just recently decided in a TVPOA Board meeting.
- Mark said another option was for WOWSC to put TVPOA on notice that their catch basins are no longer compliant, give them a reasonable time frame to make repairs and if they fail to do so, terminate their service. George stated the TV understands this is an option. George also stated that the recent decision by the TVPOA leaves the WOWSC with no good option other than



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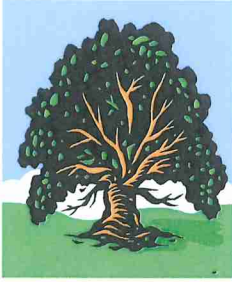
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rebuilding the lift station where it is now.

- Dorothy asked if we rebuild the lift station, won't we have to deal with the catch basins. George stated, no, what the TV does with their catch basins is their business. Jeff Hagar asked, but if we rebuild the lift station, we would install our own catch basin to protect the new lift station and George concurred. He went on to say the best place for grinder pumps is on TV property. It would make them easier to maintain and to service.
- Bill Stein asked about eminent domain. Mark stated the WOWSC has almost unlimited power of eminent domain, as it relates to the asset of ground water. He said it's not an issue with the sewer system. WOWSC could condemn the property, but that's a time consuming and expensive process, but is available to WOWSC.
- In Mark's opinion the loop lines and the catch basins are the responsibility of TV to upkeep and maintain. The main and the lift station are the responsibility of the WOWSC to upkeep and maintain.
- Jeff Hagar asked then exactly where are we. George stated that in light of the TVPOA decision from a few days ago to not allow WOWSC to place the grinder pumps on TVPOA property, our only option is to rebuild the lift station in the cedar break along soda creek. Jeff Hagar asked if would have to start over with engineering and approvals. George said would have an approved plan for the lift station. Jeff Hagar stated we would need to update the cost and George concurred.
- Dorothy asked George then if his recommendation is to move forward with the lift station. George concurred and stated we would install our own equipment, including a catch basin to protect our equipment. Jeff Hagar asked if their catch basins not being in compliance will affect our new equipment and George said we won't have a problem, but they might. So Dorothy clarified we would do nothing with the existing catch basins, they would be left as they are. George concurred. Dorothy suggested then that the next step is for the WOWSC to move forward. George concurred.
- Bill Stein stated that the TV may not be fully informed on these issues and that he would like 30 days to educate the property owners, before a decision is made. The WOWSC Board agreed to allow Bill to talk with the TV residents to see if another decision is possible. Bill thought he could have a decision before the next WOWSC meeting scheduled for June 6th.

The third order of business was to talk with Mark Zeppa about shared grinder pumps.

- Dorothy stated she and George had gone through the tariffs and that it is the policy not to have shared grinder pumps. The WOWSC Board also grandfathered those property owners prior to January 17, 2014. Mark Zeppa sent an email stating that from that date forward, property owners should not share grinder pumps.
- Bill Stein asked about the original Tarriff ratified before 2015, if it also stipulated no shared grinder pumps. Mark Zeppa stated that the original tariffs speak of multiple customers being served from one connection. It doesn't speak about grinder pumps. All of this evolved out of a TCEQ regulation on water meters; that you can only have one connection to a water meter. Most WSC's took that and made it apply to all connections, including WO. If you look at the evolution of the tarriff's, it doesn't say you can't have two people on a grinder pump, it says you can't have two people on the same sewer connection.



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- Dorothy clarified Mark's statement that there is no reference to a grinder pump. Bill Stein clarified the revised tariff is for water and sewer. Dorothy read an excerpt that only one connection for dwelling or business.
- Jeff Hagar summarized then that the 2015 Tariff is consistent with one connection for water and sewer. George concurred.
- Bill Stein asked about previous minutes where the WOWSC had grandfathered those sharing grinder pumps, prior to January 17, 2014 and wanted to know why. Mark Zeppa stated that the TCEQ regulates water connections. The new tariff's regulated both water and sewer connections for the WOWSC. The Board at that time felt it was necessary to grandfather those few individuals who were sharing grinder pumps, prior to the revised tariffs.
- Questions about what if two property owners can't agree who pays to make a grinder pump repair in case of failure. Mark Zeppa stated you would just terminate their water service, until such time the repairs are made.
- George stated there are only 4-5 shared grinder pumps in the community.
- Questions about the 1995 tariffs, but George concurred that most of the shared grinder pumps were put in prior to 1995.
- Bill Stein asked about a shared pump failing. Do they have to replace with two pumps? Mark Zeppa stated we should modify the tariff to clarify. The WOWSC board needs to decide how to handle shared grinder pump failure and replacement going forward.
- Mark suggested he draft a new section of the tariff for us to review, so that if there is a failure, we would have the right to terminate water service, until repairs are made by the customer.

No more questions for Mark Zeppa.

The fourth order of business is to recommend (1) WOWSC member for the 2018 Election Credentials Committee. Dorothy nominated Nicky Campbell. Seconded by Jerry Ingham. All in favor. Motioned passed.

Discussion of future meeting dates: June 6th, July 11th, September 12th, November 14th Change June 6th to June 7th

No old or new business to discuss.

Final order of business. Karri reviewed financials. Jerry Ingham made a motion to approve. Jeff Hagar seconded. All in favor.

Dorothy made a motion to adjourn, seconded by Jerry Ingham and unanimous approval of all board members present. Meeting adjourned at 7:02PM

Submitted by: Jeff Hagar. **APPROVED BY WOWSC Board on August 30, 2017.**



Jeff Hagar