

Double Horn Creek Water Supply Corporation

103 Vista View Trail, Spicewood, TX 78669

Minutes of Annual Membership Meeting

January 27, 2018

- 1) Call to order at 11:07 AM
- 2) Minutes for 2017 annual meeting reviewed and approved by acclamation.
- 3) Introduction of new directors Curtis Raetz and Jim Millard.
- 4) Financial review
 - a. Balance sheet and profit and loss statement reviewed
 - b. Planned \$160,000 reserve funds targeted
 - c. 2018 budget presented and reviewed. Motion to approve the budget made by Bob Lesage, seconded by Bernd Luhrs. Approved.
- 5) Introduction of 2018 Tariff with comments by Glen Zoerner
 - a. Eliminated proof of ownership and ID requirement for service
 - b. Established that no water supply would be provided for new pools
 - c. Drought contingency plan established by the Corporation rather than being based on Burnet County standards
 - d. Cross Connection Control Program in place with inspections done at time of home sale. Spicewood Utility Services will do those inspections at this time.
 - e. There will be a program for water meter replacement.
 - f. No back billing for past meter errors.
 - g. If a water bill is contested, the Corporation will log the member's water use and pressure. The water bill must be paid by the member if it is determined that their equipment or pipe(s) have developed a leak or failed. Otherwise, the Corporation will absorb the cost.
 - h. A member may ask the Corporation to waive or reduce charges for water loss per tariff rules.
 - i. The service Tariff transfer process has been streamlined and improved especially with regards to information sharing with Spicewood Utilities.
- 6) Review of recent and ongoing maintenance, capital and other projects
 - Infrastructure:
 - a. Well #1 restoration
 - b. SCADA upgrade
 - c. Chlorine gas usage
 - d. Small water tank
 - e. Fence repair

Administrative

- a. File sharing for directors
- b. Website
- c. Payclix provided for member payments
- d. Corporate email established
- e. Bookkeeper services for Corporation
- f. Financial review committee report

8) Introduction of updated rate structure

- a. Goals: Encourage conservation and reduce waste
- b. Rate structure and member impact charts presented
- c. Member discussion re: cost of starting new lawns; drilling additional wells as response to increased number of members and usage

9) Discussion of DHWSC future: Governance and member ownership challenges due to declining participation of members

- a. Options:
 - i. Status quo- board governance and management
 - ii. Hire general manager
 - iii. Sell the corporation
- b. Discussion among general membership indicated that selling DHWSC is not the preferred option.
- c. Glen Zoerner emphasized that no sale could occur without a vote of the membership.

10) No other business brought before the meeting

Motion to adjourn by Jim Millard, seconded by Bernd Luhrs. Approved by acclamation.