

# Bear Springs Trails Water Supply Corporation Board Annual Meeting Minutes

4.25.2015		10:00 a.m., following BSTOA annual meeting	997 Bear Springs Trails, Pipe Creek, TX 78063
Meeting called by	Jan Serene, Board President		
Type of meeting	BST Water Supply Corporation Inc. Annual Members Meeting		
Note taker	Karla Seale		
Attendees:			
Jan Serene, President	jan.serene@att.net	830-510-4284	
Dave Ketterer, Vice President (also BSTOA President)	ketterer.david@gmail.com	210-749-8350	
Karla Seale, Secretary	karla@texaslazyk.net	210-563-1302	
Betty Serene, Treasurer	betty.serene@att.net	830-510-4284	
Andy Watson, Board Director	awatson@vaughnconstruction.com	281-831-4489	
Carl and Skeeter Schuman, Members			
Rick McCracken, Member			
Claudia Lemon, Member			
Clay Seale, Member			
Dale and Jan Ethridge, Members			
Cory and Chrissie Drysdale, Members			
Richard Robinson, Member			
<b>AGENDA</b>			
	Call to Order		
	Roll Call and Quorum Determination		
	Status Report on the Transfer of Current Water Company Assets and Responsibilities to BSTWSC		
	Discussion of Current BST Water System Operations and Concerns:		
	Water Backflow Inspections		
	Water Operator Bid/Selection Process		
	BSTWSC Board Member Elections:		
	Election/Re-Election of Two (2) Directors		
	Vote		
	Open Forum for Visitor's Suggestions, Proposals, and Grievances		
	Calendar & Follow-Up Actions		
	Adjournment		
<b>TOPIC: Call to Order and Quorum Determination</b>			
Discussion Led By	Jan Serene		
Key Points:	<ul style="list-style-type: none"> <li>• All individuals listed above as attendees were present.</li> <li>• 10% of the membership required for a quorum. Quorum was determined to be present based on current memberships (approximately 45) and attendees present.</li> </ul>		
<b>TOPIC: Status Report on the Transfer of Current Water Company Assets and Responsibilities to BSTWSC</b>			
Discussion Led By	Jan Serene		

# Bear Springs Trails Water Supply Corporation Board Annual Meeting Minutes

**Key Points:**

Jan Serene, President BSTWSC, provided the membership with the history and transfer status to date:

- Purpose behind current water company's original creation and intent. Texas Law requires water systems to have a water company. The developer established a for-profit water company always with the intention of disposing of the company once the lots were all sold.
- BSTOA agreed to establish a committee to establish a water corporation and purchase the water system from the original water company. The committee members were elected as the first board of directors for BSTWSC.
- Current directors were announced.
- Texas Commission for Environmental Quality (TCEQ) had original oversight of water systems when transfer process began two years ago, but it now lies with Public Utility Commission (PUC ). This oversight transfer essentially caused the application process to start over.
- Within the last month, the current water company sent out public notice of the transfer to customers and published it in the Bandera newspapers for two consecutive weeks. We are now in the public notice period for anyone to file an objection.
- The administrative review is complete and we are currently in the technical review part of the transfer process. Financial capabilities are currently being evaluated. Not expecting any water system problems because the system has been maintained. Expect that around 29 May the process will move forward. Expecting a decision by PUC sometime after 12 June.
- Water rates will increase once the transfer is completed. This is because the current water company operates at a loss. Water rate is expected to increase to \$45/month for 5000 gallons.
- Small profit expected for next five years. This profit is meant to defray any maintenance issues. (25 year life expectancy of water system equipment.)
- Any offsets above and beyond the anticipated expenses will be met with a special assessment.

## TOPIC: Current BST Water System Operations and Concerns

Discussion Led By	Jan Serene
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**Key Points:**

- State certified operator required by Texas law. Current operator is Kerr Country Pump from Kerville. The BSTWSC board is currently accepting bids from local operators to reduce expenses and improve the quality of service.
- Water Backflow Prevention Inspections is a state requirement. The current water company has not been enforcing this. State has informed that enforcement is pending. BSTWSC has been negotiating with an approved water backflow inspector to obtain a group rate for BSTWSC members. Names should be given to Dave Ketterer if interested in participating in the group rate.
- Rick McCracken inquired as to when this was required to be completed. While no deadline was specified, BSTWSC is asking that a yearly date of 1 June be established.

The Action Items	Person Responsible	Deadline
Create final list of homeowners taking advantage of the group rate for backflow inspections.	Dave Ketterer and Andy Watson	Before next regular board meeting
Backflow preventer group inspections	Andy Watson	1 June 2015

## TOPIC: Election of BSTWSC Directors

Discussion Led By	Jan Serene
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**Key Points:**

- BSTWSC Bylaws established five directors with staggered terms. The directors appoint/elect the officers. Two members are being elected/re-elected this year for 3 year term.
- Two Directors: Andy Watson and Dave Ketterer are standing for re-election and expressed interest in continuing to serve.
- No additional nominations for serving on the board of directors was received.
- Membership affirmed the re-election of Andy Watson and Dave Ketterer for 3-year terms.

## TOPIC: Open Forum

Discussion Led By	Jan Serene
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# Bear Springs Trails Water Supply Corporation Board Annual Meeting Minutes

President Serene opened the floor to all present for suggestions, proposals, and grievances.

**Key Points:**

- Well is not currently in danger of going dry, however, there is no measuring system. BSTWSC will look to install a measuring system in the future.
- Bandera County remains at Stage 3 Drought conditions. BSTWSC has no influence over this. There is no enforcement, but BSTWSC requests voluntary compliance by its membership.
- Cory Drysdale asked if there were any rain catchment restrictions to which he was told that there were not any.
- Richard Robinson asked if anything could be done regarding the "orange" water coming from his water lines every couple of months. He was informed that BSTWSC would investigate flushing the lines more often once the water system was transferred.
- Water meter boxes of poor quality would be investigated for being replaced in the future.
- Skeeter Schuman asked if homeowners would be grandfathered in for the water backflow inspection. She was informed that she would be grandfathered as long as nothing occurred which would void that variance. (i.e. pool installed, livestock acquired, property transfer, etc.)
- Goal of BSTWSC is to operate a better water system and reasonable rates.
- Technical questions regarding the water system should be directed to Board Director Andy Watson.
- Reminder to the membership that the earliest approval from PUC is 12 June. If approved, documents for the transfer will be executed. BSTOA will pay \$70k for the water system.
- Next annual meeting will be the last Saturday in April 2016.

**TOPIC: Calendar and Follow-Up Actions**

Discussion Led By	Jan Serene
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President Serene closed the meeting with a review of actions for the next meeting. The meeting adjourned.

**Next Meeting:**

11 May 2015	7:00 p.m.	997 Bear Springs Trails, Pipe Creek, TX 78063
Agenda	Approval of Previous Minutes; Re-Election of Board Officers; PUC Application Status Report; Approval of BSTWSC Membership Certificate; Water Operator Discussion; Discussion of Current BST Water System Operations and Concerns; Open Forum	