

RUBY RANCH WATER SUPPLY CORPORATION
Meeting Minutes for January 12, 2017

Attendees: Scott Christians
Joe Collins
Thomas Doebner
Dale Olmstead
Kevin Rodriguez
Matt Scott
Steven Selger

Professional Consultant: Pat King (PGMS)

Public: David Fletcher

Meeting opened for business at 7:05 pm

1. Dale Olmstead called the meeting to order and determined a quorum had been established.
2. A motion was made by Matt Scott and seconded by Thomas Doebner to approve the minutes for the November 3, 2016 Regular Meeting. Motion carried 6-0.
3. Pat King provided the Board with the Monthly Water System Operational Report dated January 12, 2017. Paragraphs 4 through 14 highlight the major operations report items and other items discussed with PGMS.
4. Pat King stated two regular bacteriological samples taken from the distribution system during November and December 2016 indicated no coliform organisms.
5. Pat King stated there were 3 customer service inspections performed since the last report, leaving 8 to be done. Pat will attempt to schedule these inspections with the homeowners.
6. Pat King stated Well No. 5 continues to remain off-line. 5S Service Company (Keith Seibert) provided a quote to install a Mirus sine wave filter in the amount of \$2,650, parts and labor included. An additional quote was received from GEO projects for \$1,894.38 which did not include installation. A motion was made by Matt Scott and seconded by Joe Collins to have 5S Service Company proceed with supplying and installing the new filter for \$2,650 with the possibility of receiving a credit for returning the existing DV/DT filter. Motion carried 6-0. The Board also agreed to have Thomas Doebner reimburse 5S Service Company \$1,047.70 for the old DV/DT filter which was installed. The new filter should arrive the last week of January and installation will begin then. PGMS will ensure the VFD is properly programmed before the well is placed back into operation. Thomas Doebner informed Pat King the water from Well No. 5 will require testing to be sure it meets quality standards before going on line.

Ruby Ranch Water Supply Corporation
Meeting Minutes
January 12, 2017

7. Pat King informed the Board that tank inspections for all tanks was performed on or about December 15, 2016. All tanks were observed to be in good condition, with the exception of the 66,000 gallon tank located at Plant No. 2. There were areas in and near the floor where the galvanizing is blistering and corroding. D & H Services provided a quote to sandblast and paint the tank with a two-coat system for \$17,900. The work to the interior is guaranteed for seven years for workmanship and materials, if RRWSC continues with the annual maintenance program. One coat of Tnemec Series 20 will be applied to all interior surfaces at 3-5 mils DFT and a second coat of Tnemec Series 141 will be applied to all interior surfaces at 10-12 mils DFT. A motion was made by Dale Olmstead and seconded by Matt Scott to accept the proposal of \$17,900 for coating the 66,000 gallon tank at Plant No. 2 and an additional \$600 for annual maintenance. Motion carried 7-0.

8. Pat King informed the Board the receipt of quotes to provide an overall water system map. Southwest Engineers provided a quote for an estimated cost of \$4,000, KC Engineering estimated the cost to be \$7,500 and CMA Engineering provide a quote of \$10,000. Pat King was requested by the Board to contact Southwest Engineers to determine if the \$4,000 was a not-to-exceed fixed cost. Pat King was also requested to determine if there was a TCEQ requirement to provide an overall water system map.

9. Joe Collins reviewed the Past Due List with Pat King and concern over the number of customers are overdue with their water bill payments. Pat King agreed to work on this. Pat King also informed the Board PGMS cannot send out water bills electronically.

10. Steve Selger provided Pat King with “to do” list of current Board issues which should be addressed by the next Board meeting.

11. The Board again asked Pat King to check on accounting issues regarding possible corrections to deposit numbers to month end reports after the month is closed out.

12. Dale Olmstead discussed possible interest in obtaining a “boiler and machine” insurance policy to cover catastrophic pump, tank and equipment failures. Pat King will check on policies carried by other water companies with AIA Insurance and Thomas Doebner agreed to contact Debbie Thames Insurance to determine if she could offer a policy.

13. Dale Olmstead informed the Board he had completed the advertising of the Notice of Requirement to comply with the Subdivision Service Extension Policy.

14. Dale Olmstead again requested Pat King check with Scott Follett to determine if there may be a second connection between Plant No. 1 and Plant No. 2 water systems from property owned by Mr. Follett. Pat King recommended removal of the unused meter on East Bartlett, but Dale suggested Pat King contact Scott Follett before removing the meter.

Ruby Ranch Water Supply Corporation
Meeting Minutes
January 12, 2017

15. Thomas Doebner presented the 2016 Monthly Well Pumpage data for each well. Thomas also presented the 2016 Cash Flow Report through December 2016 with the exception of posting the interest from CD's. Thomas stated the comparison of the final totals for 2016 are very close to the 2016 Budget presented at the last annual meeting.

16. Thomas Doebner informed the Board in the November/December issue of Quench, the TRWA magazine, in the "Keep it Legal" section, a question was raised regarding posting of meeting agendas. It states that as long as the water supply corporation posts the meeting agenda on their web site and at their administrative office there would no longer be a need to post the agenda at the County Clerk's office. Dale will check this with our attorney.

17. The Board continued its discussion of the ASR (Aquifer Storage & Recovery) proposal being initiated by BSEACD. Thomas Doebner informed the Board Joe Vickers had hired David Jeffery to complete the application paperwork to be submitted to TCEQ for an ASR Injection Well Permit. There will be a Class D permit required from BSEACD for water used in the ASR. Thomas suggested RRWSC write a letter to BSEACD for approval to begin the ASR experiment in February 2017. If the testing does not begin soon RRWSC will be forced to wait until next fall due to high summer usage of the Trinity Aquifer Well. A motion was made by Thomas Doebner and seconded by Kevin Rodriguez to authorize Dale Olmstead to send a letter to BSEACD requesting permission to start on the ASR testing. Motion carried 5-0 with Joe Collins and Scott Christians abstaining.

18. The Board continued discussion of the Auto Debit Bill Pay system. It would probably take about one month to have the system set up. Kevin Rodriguez, Thomas Doebner and Scott Christians agreed to fill out the required forms and test the system before there is a promotional role out for RRWSC members.

19. The Board continued discussion of the upcoming annual meeting now scheduled for April 18, 2017 at the Ruby Ranch Lodge. Candidate applications need to be submitted by March 4, 2017, meeting packet sent to the membership by March 19, 2017 and ballot language approved by March 14, 2017.

20. The next regular Board meeting will be held on Thursday, February 9, 2017, 7:00 pm at Dale Olmstead's residence, 301 Clark Cove.

21. A motion was made by Dale Olmstead and seconded by Joe Collins to adjourn. Motion carried 7-0 and the meeting was adjourned at 10:05 pm.

Respectfully submitted,

Steven Selger, Secretary