

Dog Ridge Water Supply Corp

Monthly Board of Directors Meeting

September 11, 2017, 6:00 pm

Dog Ridge Office, Belton, TX

DRWSC Present:

- Wayne Rutherford, President
- Anjela Martinez, Vice President
- Douglas McKenney, Secretary/Treasurer
- Brian Williams, Director
- Mark Seffrood, General Manager
- Absent – Amy Kress, Office Manager
- Tony Beach, BSP Engineer
- Absent – Steve Shepherd

Members Present:

- Mitchell Thompson

Agenda Items:

Call to meeting, attendees, quorum established meeting start 6:03 p.m.

Open Forum

Mr Thompson of Double T construction was present to discuss a large water bill from June 2016. He has been corresponding back and forth with the GM about resolution. He put forth some arguments about why he feels the meter reading must have been in error. Pres directed Dog Ridge to take an average of his June bills in 2014/15/16/17 and have him pay that amount to settle the charges. Mr. Thompson was amenable to that.

Minutes

Notes/comments: Review minutes from 8/14/2017 BOD meeting.

Motioned by Anjie Second Wayne Yea all Nay none approved

Financial Report

All financials reviewed by board and no questions.

Motioned by Wayne Second Doug Yea all Nay none approved

General Managers Report

Discussion of water tank painting and maintenance. This is on the to-do list, but not a requirement at this time. WE need to start building a fund to do this within 2 years. The TCEQ audit indicated that the Colinas Del Lago (CDL) pressure tank needs painting, and that US Underwater Insp. Services has already

charged us for this, and will complete both inspections of CDL and 2410 tanks, and perform painting for CDL. Tony Beach gave some background on elevated tank painting and inspection firms, budgeting, and timing. DRW water towers have not been painted in 20 years. Most paintings last 10-15 years. Prices could be \$150K per tank.

Engineer Report

No report

Old Business

Tariff Revisions

Wayne directed us to the current tariff that is in the DRWSC DropBox folder, under "tariff". Questions on whether equity buy-in is refundable or not. No decision made, and clarification is needed.

Late fee policy was also discussed. Specifically, how it is levied, and who is most impacted by that.

Discussion on water rates. CTWS has indicated it intends to raise water costs by 3-7% in January. Dog Ridge Water has some latitude on setting water rates, and is considering putting in language into the tariffs that automatically increase water rates when CTWS increase their rates to Dog Ridge. No action taken.

TCEQ mandated system repair

US Underwater Testing Services has quoted \$3,500 for inspecting DRWSC tanks for FY18. They will also perform minor repairs. Motion proposed to authorize the repairs.

Motioned by Wayne Second Anjie Yea all Nay none approved

Committee Presentations

City of Belton

No report.

Facilities, structures and vehicles

Committee supplied quotes for CONEX boxes, 40", doors on both ends, delivered, class C quality. All bids were close to \$5,000. Also, short discussion on how much to allocate for the General Manager's office construction- using some of the space currently used for storage that will freed up with the purchase of the CONEX box. The sum of \$8,000 was allocated for the GM office. Motion to approve funds for CONEX box and GM office for a total of \$13,000 was put forth.

Motioned by Wayne Second Brian Yea all Nay none approved

Distribution System and Upgrades

Discussion of the status of the Harker Heights water that we pay for but do not use, and are not connected to. Engineer has proposed that there is sufficient pressure to supply water to CDL area directly, and would require moderate funds to tie in the systems- appx \$35K. This would make the project attractive and create savings of over \$30K/year to DRWSC, and minimize maintenance to the CDL pump station. GM will talk to HH to see exactly what is required from them so that we can make more concrete plans to move forward.

IT/Technology

No report.

Monthly Reporting Format

In progress, but nothing new to report. Will tie-in to decision to use new accounting firm, and create more reports using QuickBooks.

Employee Handbook

President instructed all to read the handbook posted in DropBox, and be prepared to vote on acceptance at October BOD meeting.

FY17/18 Budget Preparation Assessment

General discussion on budget, but no specifics.

Schedule Budget Workshop

Include Rate evaluation, system repairs, tank maintenance and painting, etc.

Date was set for a special meeting on 9/19/2017 at 4:00 p.m.

New Business

Adoption of Drought Contingency plan.

This is a TCEQ mandated item. There is a current plan on the DRWSC website. Motion to approve the posted plan as-is. Need to formally sign, stamp and post.

Motioned by Wayne Second Brian Yea all Nay none approved

Employee Timekeeping and Leave Tracking

Discussion on how employees log their 8 hrs/day using the time clock. Anjie wanted more info of time card dates/ins/outs, including lunch as it was unclear in the total logging of employee work hours. It was also indicated that back of the time card was used for one-off type of accounting.

IRS Withholding Status

Anjie has found that is unclear how/when tax withholding is calculated and accounted. The time cards and paystubs were not clear or consistent. She wanted more clarity on that, and would like to see a system put together to standardize the procedure. Will talk with Amy and Mark about that process.

Auditor Firm Selection

Three bids were obtained by Anjie for a new accountant/auditor. Templin was the lowest bid and was also deemed the most suitable for DRWSC needs. Templin audits Salado water, among others, and has great experience. Motion made to approve using Templin for the FY17 audit.

Motioned by Anjie Second Wayne Yea all Nay none approved

Water loss: how to identify and minimize, use of outside agencies or consultants?

Short discussion on this. Current month water loss was very low, and has trended lower. No real explanation of why, and this could be consistent with previous years where water loss ratios improve during high-water use months. This issue was put on hold until more water loss data is collected, and potential costs for hiring outside consultant are investigated. GM will make inquiries.

Employment Law Conference / TRWA Fall Management Conference

Motion to send two DRWSC representatives to this conference.

Motioned by Wayne Second Doug Yea all Nay none approved

Vote on new electric rates

Motion to move forward with signing contract for new electric rates. Options for 12, 24, and 36 months were presented. Motion was made to select 36-month contract. GM will sign.

Motioned by Wayne Second Angie Yea all Nay none approved

Date of Next Meeting: October 9, 2017, 6:00 pm

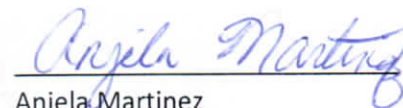
Adjournment

Motioned by Wayne Second Doug Yea all Nay none approved

Approved:



Wayne Rutherford
President, DRWSC BoD



Anjela Martinez
Vice-President, DRWSC BoD