

**Oak Forest Water Supply Corporation
Regular Meeting
Church of Christ
3740 Ranch Road 967
September 6, 2011**

MINUTES

Board members present – Phil Suitt, Bob Davis, Nancy Ellsworth, Russell Taylor, Perry Watson, and David Cowan
Guests – William McFerrin, David Smith, Susan Hoerman, Margaret Williams, Lilly Suitt and Ram Garcia.

President Phil Suitt opened the meeting 7:02 PM

Speaker

Joe Vickers – Joe interpreted results from chemical analysis performed by Paul Brady (Water Utility Chemical Inc.). Results showed 140,000 count of iron-reducing bacteria, a significant bacteria problem. The good news is that we now know the cause of iron in the Trinity well, the bad news is that it can be expensive to treat. Joe thinks that Paul's recommendation of chemical dosages is light and suggests using heavier dosages and including phosphoric acid instead of hydrochloric acid. He suggests a biodispersant. He also suggest scraping the pipe first and then acidizing and then using chlorine to sterilize. Joe explained that the tests concluded that there were no sulfate reducing bacteria in the well water, so hydrogen sulfide may not be an issue anymore.

Joe said Ruby Ranch is experiencing high iron in their Trinity well too, so we may be able to leverage our work with theirs to work with a contractor and keep prices lower. He mentioned Alsay Inc. a full service well drilling company out of San Antonio that has presented cost proposals for cleaning our well. Joe wants to invite Alsay staff to our well site to inspect and review the proposed chemicals and the cleanout plan.

Nancy asked Joe how confident he was that the cleanout and chemical treatment would fix the well. He said it's tested technology and it has worked in the past with other wells. When asked if filtration was still necessary, he said it's not unrealistic to expect this to remove iron bacteria and if it does, we would not need filtration. Joe said the process would take a week to complete and that Alsay could begin work within two weeks of being notified. It was determined that we would need to use the Hays (Elliott Ranch) interconnect during the rehab.

Joe explained that J&K Electrical Contractors came to the well site and discovered that the electrical ground was not installed correctly. They rewired the ground to remove the "stray amperage" the system has been experiencing.

Routine Business

- 1) Secretary's Report – Dave Cowan emailed the August minutes to the Board prior to the meeting. Phil and Russell suggested a couple of minor changes to spelling and meeting location. Phil motioned to accept the minutes with changes. Russell second - minutes approved.
- 2) Treasurer's Report – Russell Taylor reviewed the Treasurers report which had been emailed to the Board prior to the meeting. Net profit of \$3,021.97 in August, though PGMS had not been paid. Phil moved to accept the Treasurer's Report. Bob second - report approved.

Opening Discussion

- 1) Cost of water from Hays City - \$56.42
- 2) Utility Cost – PEC \$656.46
- 3) BSEACD Charges - \$1,278.75 for FY 2012 Q1
- 4) TCEQ - \$0
- 5) Professional Services
 PGMS - \$0
- 6) Loss or Profit - \$3,021.97 profit

Old Business

- 1) Water Filtration Committee Report – Russell presented info on Raindance Water Systems, a sand filtration system that could treat iron in our water. The system would cost approximately \$7,000 upfront. It was recommended that this should be “plan b” pending success of the well cleanout.
- 2) Meeting site – Future meetings will be held at the Church of Christ library which was cleaned up to provide more room for guests at water board meetings.

New Business

- 1) Utility Information
 - a. The electrical short in the pump in Well #3 was repaired on August 8, 2011. Pumping resumed that evening at 6:15 PM.
 - b. Since BSEACD began charging for Trinity Aquifer water, Phil and Bob have been pumping water into the ditch only when filling the ground storage tank. Continued periodic pumping into the ditch (up to twice daily) will help lower iron levels in the distribution system.
 - c. After discussion about proposed work by Alsay Inc. to rehabilitate the well, Phil made a motion and Perry second that we accept the bid from Alsay for \$26,250.00 to move forward to rehab the well as soon as practical. The motion passed by unanimous vote.
 - d. Davenport Drilling, who drilled Well #3 may reimburse the WSC for couplings used on the well. The couplings were found to be faulty and Davenport is looking into some sort of credit.
- 2) Gift certificate for Richard Bailey – Phil made a motion and Bob second to purchase a \$100 gift certificate for exiting board member Richard Bailey. The motion passed by majority vote.
- 3) Loan application progress – Loan for \$49,794 from CRG was approved and commitment letter sent. Closing to be held Friday September 9, 2011 at Chase Bank in Buda. Phil sent a notice of service charge increase (\$18.28 to \$23.48) to PGMS and TCEQ.
- 4) OFPOA letter – In response to installation of a water meter at the front sign and their first water bill, the property owners association (POA) has requested in a letter (attached) that the water board remove

the meter. Further action by the water board was tabled pending further discussion with board members of the POA.

- 5) J&K Utility repaired electrical ground on well #3 on 8/8/11.
- 6) Margaret Williams Billing – Mrs. Williams was overcharged in July. She explained in a written letter to the Board that her June bill was too low which caused her July bill to be adjusted at a rate of \$20.00 per gallon. When she called PGMS, she was told to appeal to the Board. Phil made a motion and Bob second that the Board should correct the matter by communicating with PGMS. The motion passed unanimously. Phil volunteered to talk to PGMS. Perry said he had something very similar happen. He made a phone call to PGMS and it is being looked into.
- 7) Public Comment
 - a. William McFerrin – “the water board and POA board should respect each other”
 - b. Susan Hoerman – still having pressure problems at her house on Oak Grove Rd. Discussion followed about what could be causing low pressure since the interconnect (the usual cause of low pressure) has not been open. No resolution.
 - c. David Smith – Noted how much time Phil and Bob spend at the well and commented that we should work toward automation of the water system.
 - d. Nelson Smith – Wants to be able to recognize efforts of the water board at the upcoming POA National Night Out.

Action items:

1. Phil – contact PGMS to resolve Mrs. Williams’s bill.

Meeting Adjourned 9:11 PM.

The next regular meeting to be held in conjunction with the POA during the Oak Forest National night on October 4th.

August 26, 2011

Oak Forest Water Corporation Board
P.O. Box 1492
Buda, Texas 78610

Re: Water meter and bill

Ladies and Gentlemen:

Last week, August 18, the Property Owners Association (POA) received a bill from the Water Supply Corporation (WSC) totaling \$68.07, for 3,020 gallons of water usage between July 12, 2011 and August 12, 2011, plus the surcharge and regulatory fee of \$18.48. This is the first bill that the POA has ever received for the water at the front entrance. In the past there has not been a meter attached to the water line which supplies the sprinkler at the front entrance. The POA did not request this action take place nor was it informed of this action until said bill arrived via mail delivery.

The POA Board discussed this matter at the meeting held on August 20. Several comments and/or options were discussed.

1. The water is used for landscaping at the front entrance which provides an attractive entrance to the subdivision and therefore is for the benefit of the entire neighborhood and thus the owners of the WSC.
2. The timer for the sprinkler at the entrance has been turned off so there should not be any additional water usage, although it is assumed that the surcharge and regulatory fee will continue even though there is no water usage.
3. If it becomes necessary for water to be used, and the meter remains in place the POA Board has agreed that the amount of the monthly bill will be counted as an offset to the \$50,000 advanced to the WSC for the drilling of the Trinity well.

This current bill is due for payment on September 1, 2011. Payment will not be made for this bill and the balance due will be used as an offset of the \$50,000 advance.

It is the POA Board's hope that at the September WSC Board meeting the board will approve the meter being removed and the water reconnected as it has been for the past several years.

Sincerely yours,
For the Oak Forest Property Owners Board

Nelson K. Smith
Treasurer