

Bear Springs Trails Water Supply Corporation Meeting Minutes

BSTWSC Regular Board Meeting			
5.8.2017		7:00 p.m.	997 Bear Springs Trails, Pipe Creek, TX 78063
Meeting called by	Jan Serene, Board President		
Type of meeting	BST Water Supply Corporation Directors Meeting		
Note taker	Karla Seale, Secretary		
Attendees:	Jan Serene, President; jan.serene@att.net; 830-510-4282		
	Andy Watson, Vice President; awatson@vaughnconstruction.com; 281-831-4489		
	Karla Seale, Secretary; texaslazyk@gmail.com; 210-563-1302		
	Betty Serene, Treasurer; betty.serene@att.net; 830-510-4284		
	Flint Lemon, Director & IT Technical Advisor; flint-claudio@att.net; 830-446-9444		
	Carl Schuman, Technical Advisor; c.schumann@sbcglobal.net; 210-854-5832		
	David Ketterer, Member		
	Paul Kendrick, Member		
	Clifton Tierney, Member		
Agenda			
Call to Order			
Roll Call and Quorum Determination			
Approval of April Meeting and Annual Meeting Minutes			
Election of New BSTWSC Officers			
TCEQ 3-Year Inspection Update			
Water System Operations and Concerns			
BSTWSC Treasurer's Report			
For Decision: Monthly Rate Increase			
Open Forum for Visitor's Suggestions, Proposals, and Grievances			
Calendar & Follow-Up Actions			
Adjournment			
Topic: Call to Order, Quorum Determination and Approval of Previous Meeting Minutes			
Presenter	Jan Serene		
Key Points			
All individuals listed as attendees above were present. All Directors were present therefore a quorum was present.			
The April meeting minutes were approved as written. Meeting minutes will be published on BSTWSC web site. Secretary Seale will provide meeting minutes to Director Lemon for posting going back to at least January 2017.			
Action Items		Person Responsible	Deadline
Post BSTWSC meeting minutes since January 2017 to BSTWSC website. Slides from annual meeting will also be posted.		Karla Seale and Flint Lemon	Before next regular meeting
Topic: Election of New BSTWSC Officers			
Presenter	Jan Serene		
Key Points			
President Serene inquired of the current and newly elected Directors if any were seeking to be an officer and/or change any of the officer positions for the BSTWSC Board. By acclimation, all Directors agreed that the Directors were elected to the same officer positions: Jan Serene, President; Andy Watson, Vice-President; Betty Serene, Treasurer; Karla Seale, Secretary; Flint Lemon, Director and IT Technical Advisor. Member Carl Schumann remains a Technical Advisor to the Board as well.			
Action Items		Person Responsible	Deadline
No Actions for this Topic		N/A	N/A
Topic: TCEO 3-Year Inspection Update			

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Presenter	Jan Serene	
Key Points		
There was no news or comments from TCEQ regarding the inspection of the tanks. Vice President Watson informed the Board that we would eventually have to open the pressure tank up to inspect the inside. His concern is that the small air compressor that we have requires considerable time to refill. The Water Operator has suggested cutting in a valve outside at the tank. The water operator would then be able to bring in a large compressor that he owns which he would be able to use to assist and thereby reduce the refill time to approximately ten minutes. The Board agreed to this plan for when it is time to inspect the tank.		
Action Items	Person Responsible	Deadline
No Actions for this Topic	N/A	N/A
Topic: Water System Operations and Concerns		
Presenter	Andy Watson	
Key Points		
Vice President Watson notified the Board that there is an in-ground pump at the pump house which pumps the water out of the well in to the 20,000 gallon storage tank. This is the BSTWSC water supply. To actually put the pressure in the water lines throughout the neighborhood (i.e. pressure in the homes), there are two smaller booster pumps. These pumps suck the water out of the big tank and pressurize it into the pressure tank and that is what maintains the system pressure. There is a 4-inch line that comes out of the ground, and off of that there are two two-inch lines which feed each of those booster pumps. Coming out of the booster pumps, there are other two-inch lines that go back into the line that goes to the pressure tank. Because we have to run the system at such a high pressure (100 psi at the pump house), the pumps are generating a great deal of heat. The two-inch piping is made of pvc, and heat is causing the pvc to melt and fail. Last year, we changed out the nipples to stainless steel expecting that to suffice. It has not, and the most recent failure has us down to one booster pump. The single booster pump is unable to maintain pressure in the lines. The two pumps are made to work together, where one pump kicks on at 60 psi and runs the pressure up to 80 psi, and then the second pump kicks on and takes the pressure up to 100 psi. There is a mechanic alternator that alternates the pumps so that one is not running all of the time. This extends the life of the pumps. With one pump out of commission, the remaining pump is alternating cycles where one cycle is up to 60 psi, and the next cycle is 100 psi. We see low pressure when the pump only raises the pressure to 60 psi (i.e. every other cycle.). We are going to be changing the piping from the pumps all the way to a header to stainless steel. That should mitigate the issues with the pvc pipe melting.		
We are also looking at possibly changing the impeller inside the pump. The impellers we currently have are working at their maximum limit. The water operator is investigating other impellers that could be installed in the pumps that would get them back to operating within their mid-range performance level which will reduce wear and tear, extending the life of the pumps. We are currently waiting on the delivery of two couplings from the supply house. Once installed, the stainless steel replacement work can begin. The work is expected to be completed within another 24 hours. (end of day tomorrow) Note: Another line is also getting too hot, to the point where the line is sagging. Some support has been placed underneath to prevent failure until the repair is performed. Technical Advisor Carl Schumann asked if the water operator had checked the ball valve that was leaking. Vice President Watson replied that valves get old and leak. They are approximately \$200.00 to replace. Since the leak is minimal, Vice President Watson is recommending we not replace it at this time.		
President Serene indicated that there is a separate issue with low water pressure. Members have indicated prior to this current pump/line issue, very low pressure has been measured. (35-40 psi). Other customers along the same line have experienced similar low pressure. (Low to average pressure being experienced consistently.) The Board discussed if the impact of new homes joining the water system is the issue, but agreed that the water system was built to handle 75 customers. We are nowhere close to that many. Technical Advisor Carl Schumann indicated that a faulty check valve may be the problem. Vice President Watson suggested that gauges be placed throughout the system for monitoring and verification purposes. Technical Advisor Schumann will be checking periodically throughout the day. President Serene inquired if a system flush at that part of the line would help. Vice President Watson thought that it might help.		
Action Items	Person Responsible	Deadline
Place water pressure gauges and perform regular monitoring of system pressure.	Andy Watson and Carl Schumann	Within the week.
Notify water operator to perform a system flush where the members are reporting extremely low pressure (Section 2).	Andy Watson	Within the week.
Topic: BSTWSC Treasurer's Report		
Presenter	Betty Serene	
Key Points		
BSTWSC account balance as of April 30, 2017 is \$8,040.00. Invoices for April usage will be mailed out before the end of the week.		

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Taxes for 2016 were incorrectly reported as having been sent in late. The filing date for corporations changed from March 15th to April 15th. Taxes were filed before the April 18, 2017 deadline, so there should be no penalties. 2016 was the first year where taxes were due. A profit was shown for 2016 because Aquatech did not bill for their services for the pipe replacement until January 2017. Under the corporate rules, BSTWSC losses from 2015 could be offset which reduces our tax liability to some extent. The taxes due were approximately \$240.00. For the 2017 tax year, President Serene plans to file for tax exempt status. BSTWSC is eligible. It costs \$850.00 to federally file for this status. We are already tax-exempt at the State level. To avoid future taxes due to income, BSTWSC will file for this status.

Action Items	Person Responsible	Deadline
File for tax exempt status.	Jan Serene	Before federal deadlines

Topic: Monthly Rate Increase

Presenter	Jan Serene
Key Points	

President Serene reminded the Board of its prior discussion about raising the rate by \$15.00 per month if we received the repair reimbursement from the Bear Springs Trails Owner Association. BSTOA approved the reimbursement. \$15.00 would raise the basic rate from \$45.00 per month to \$60.00. After further Board discussion about routine maintenance costs, recent repair history, and taking into account the current water pressure-related issues, the Board agreed to raise the monthly rate by \$20.00 per month to a base rate of approximately \$65.00. After the reserves are re-built to an adequate level for contingencies, the rate can/will be reduced appropriately. While not fully determined, the Board expects to reach a contingency fund level of 15 to 20k. (\$15,000.00-20,000.00) in approximately two (2) years assuming no further major repairs or replacements.

Action Items	Person Responsible	Deadline
Prepare billing for new water rate at beginning of June usage. May invoices will include notification of the pending rate increase.	Betty Serene	Before June billing

Topic: Open Forum for Visitor's Suggestions, Proposals, and Grievances

Presenter	Jan Serene
Key Points	

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

Member David Ketterer notified the BSTWSC Board that he had officially resigned as president of the BSTOA. Vice-President Ray Nolan will assume the presidency of the owners association until the next election.

Vice President Watson updated the Board on the status of the road to the well house. At this point the road is passable, but in poor shape. Re-grading will occur as soon as the rainy season is over (summer).

Topic: Calendar Update

Presenter	Jan Serene
Next Meeting	Regular Meeting: 12 June 2017 at 7:00 p.m. at 997 Bear Springs Trail, Pipe Creek, TX 78063