

Bitter Creek Water Supply Corporation
Sweetwater, Texas
Regular Meeting
Minutes
October 18, 2017

The regular Meeting of Bitter Creek Water Supply Corporation was convened at 6:00 P.M., Monday, October 18, 2017. Proper notification was delivered to each director, and proper public notice had been posted. President Jeff Posey declared the Meeting properly announced under the Open Meeting Act and a quorum present with seven directors attending who were: Kathy Arrant, Scott Lambert, Larry Martin, Rick Nelson, Jeff Posey, Pat Sadler and Jamie Witt were present. Rupert Rodriguez and Shelly Scherwitz were absent. Shelly Ragland and guest Jacob Lederle were also in attendance.

President Posey offered the floor for public input. There was none at the time.

Jacob Lederle was in attendance to discuss his meter usage. There had been a leak on his side of the meter and he wanted to present the board with his evidence, in hopes of lowering his bill. Mr. Lederle had rejected the Leak Policy that Ms. Ragland had presented to him prior to the meeting. He handed out a proposal to the board members in attendance. A copy of Mr. Lederle's proposal has been attached to the minutes and therefore become a permanent part of the record. Ms. Ragland also presented evidence of the leak. The board discussed the situation with Mr. Lederle and Ms. Ragland. Larry Martin made a motion to reject Mr. Lederle's proposal with no late fee for time passed during the dispute, and to also allow Mr. Lederle to take advantage of the Leak Policy. Pat Sadler seconded. The motion passed 7 for and 0 against.

Shelly Ragland gave the Financial Report due to the absence of Shelly Scherwitz.

The minutes from the September Regular Meeting were unavailable. Memberships, Transfers, Adjustments, Past Due List and the Financial Reports for September were approved by consent agenda. Rick Nelson made a motion to approve which was seconded by Jamie Witt. The motion passed 7 for and 0 against.

TCEQ, TWDB or TRWA Business:

1. TCEQ, License Test - Paul Gutierrez and Shelly Ragland were unable to test in October and were rescheduled to test on November 14, 2017.
2. TRWA – The Rural Rider came by the BCWSC office to visit.

The board entered Executive Session under code 551.071 and 551.083 at 6:49 P.M. and exited at 7:24 P.M. Action taken: Jamie Witt made a motion to settle the Scott Lawsuit by April 2018. Larry Martin seconded. The motion passed 7 for and 0 against.

The Manager's Report was given by Manager Shelly Ragland:

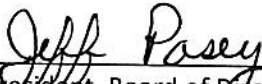
1. Water Loss /System Loss – Water Loss was approximately 10%
2. Althof Site Update/System Update – Wells 5 and 6 were repaired and calibrated. Well 4 is in need of a new butterfly valve or the installment of a gate valve for longevity.
3. Althof Site Update/System Update – The Sims Wells were explored and work will be needed to bring them into compliance.

Ms. Ragland informed the board that Mr. Fomby had started to cover water lines on CR 126 and CR 127. He would wait until the crops were harvested to continue work on other lines within the county.

The Manager's Report was given by Manager Shelly Ragland:

1. Water Loss /System Loss – July water loss was 30.21 % and August water loss was down to 15.56 %. Well 5 was reading higher and needed to be changed out, Well 6 was reading slower.
2. Althof Site Update/System Update – BCWSC would be in contact with the land owner to discuss moving the Martha Master Meter.
3. Althof Site Update/System Update – Flushes were replaced at Fireman's Point, in Palava and at the Gas Tech Plant. The valve on Skelly Lane was removed and there was a leak at the 2nd Fire Hydrant.
4. Althof Site Update/System Update – The SCADA sensors had been replaced on the Cave Tank for a total of \$4,000.

Jamie Witt made a motion to adjourn, seconded by Kathy Arrant. The motion passed 6 for and 0 against. The meeting adjourned at 7:47 P.M.



President, Board of Directors



Secretary, Board of Directors



Minutes Approved

DISCLAIMER

THE FOLLOWING DOCUMENTS AND/OR ILLUSTRATIONS AS WELL AS ANY DISCUSSIONS RELATED THERETO OR RELATED TO THE ALLEGED WATER LEAK AT 122 GLENDALE ROAD, SWEETWATER, TEXAS ARE FOR SETTLEMENT PURPOSES ONLY AND SHALL NOT BE DEEMED AS AN ADMISSION OF GUILT, FAULT, OR AS AN ADMISSION BY JACOB LEDERLE OR TIFFANY VOORHEIS THAT THERE WAS IN FACT A WATER LEAK. FOR THE AVOIDANCE OF DOUBT, NEITHER JACOB LEDERLE NOR TIFFANY VOORHEIS ACCEPT ANY RESPONSIBILITY FOR THE ALLEGED WATER LEAK NOR DO THEY ADMIT THAT THERE WAS IN FACT A WATER LEAK RELATED TO THEIR RESIDENCE AT 122 GLENDALE RD., SWEETWATER, TEXAS 79556.


JACOB R. LEDERLE


TIFFANY N. VOORHEIS

Proposed Settlement

- Jacob Lederle and, wife, Tiffany Voorheis will tender to Bitter Creek Water Supply, at a time and manner to be determined, the sum of \$430.74, plus tax on that amount, as payment in full for the water used between August 2, 2016 and Sept. 6, 2017.
 - Such Amount has been determined as follows:
 - Average per day dollar amount of \$1.61 (Exhibit A) multiplied by 36 days (Aug. 2 to Sept. 6).
 - \$57.96
 - Plus \$145.68 representing the water used from Aug. 2 to Aug. 13 above the average per day dollar amount.
 - i.e., 15,000 gallons x \$11.00 per thousand gallons = \$165.00 minus \$1.61 x 12 = \$145.68
 - Plus \$182.11 representing the water used from Aug. 14 to Aug. 28 above the average per day dollar amount.
 - from Aug 2. to Aug 13 the average leak rate in dollars was \$12.14 per day (145.68 / 12 days).
 - \$12.14 x 15 days (Aug. 14 to Aug 28) = 182.11
 - Plus \$45.00 monthly water service fee.
- Bitter Creek will release any claim for water used between the interval readings of Sept 6 at 11:24 (249643.7), the last date in the previous billing cycle, and Sept 7 at 13:24 (259897.5), the date when the leak was allegedly located and the water shut off.

EXHIBIT A
Average Monthly Usage
122 Glendale Rd.

August 2016 to July 2017

- 8/16 -- 7000 gl
- 9/16 -- 3000 gl
- 10/16 -- 4000 gl
- 11/16 -- 3000 gl
- 12/16 -- 4000 gl
- 1/17 -- 4000 gl
- 2/17 -- 3000 gl
- 3/17 -- 5000 gl
- 4/17 -- 5000 gl
- 5/17 -- 4000 gl
- 6/17 -- 4000 gl
- 7/17 -- 7000 gl

= 53,000 gallons

/

12 months

= 4,416 gallons per average month

/

30 days (*average days per month*)

= 147.2 gallons used per average day

$4,416 / 1,000 = 4.416 \times \11.00 (per thousand gallons) = **\$48.57 average monthly cost**

$147.2 / 1000 = 0.1472 \times \$11.00 =$ **\$1.61 per day**

EXHIBIT B
Aug. 2 to Sept. 6, 2017 Usage
122 Glendale Rd.

159,000 gallons used

- **Aug. 2 @ 00:24 to Aug. 13 @ 23:24 (12 days)**
 - 105268.1 -- 90346.4 (*interval readings*)
 - 15,000 gallons
 - x \$11.00 = \$165.00

 - **Aug. 14 @ 00:24 to Aug. 28 @ 08:24 (15 days)**
 - 174036.5 -- 105402.6 (*interval readings*)
 - 69,000 gallons
 - x \$11.00 = \$759.00

 - **Aug. 28 @ 09:24 to Sept. 6 @ 11:24 (10 days)**
 - 249643.7 – 174297.8 (*interval readings*)
 - 75,000 gallons
 - x \$11.00 = \$825.00
-

15,000 + 69,000 + 75,000 gallons = 159,000 gallons used

- 159 x \$11.00 per thousand gallons = \$1,749.00
 - + \$45 monthly water service charge = \$1,794.00
 - + 8.97 tax = \$1,802.97

- \$165.00 + \$759.00 + \$825.00 = \$1,749.00
 - + \$45 monthly water service charge = \$1,794.00
 - + 8.97 tax = \$1,802.97