

WINDERMERE OAKS WATER SUPPLY CORPORATION

Minutes of Open Meeting held October 2nd 2009 8:30 AM. **Action items are marked in yellow.** Secretary/Treasurer Mulligan called the Board Meeting to order at 8:30AMs at the WOWSC Offices. Board members present were Secretary/Treasurer Pat Mulligan, Directors Doug Strain and Bill Earnest, which constituted a quorum to conduct company business. Director Strain made a motion for a continuance until 9:00AM October 3, 2009. Director Earnest seconded the motion. The motion was approved by a vote of 3-0.

President Spradley re- convened the meeting on October 3rd 2009 at 9:00AM at the WOWSC offices and called the meeting to order at 9:05AM. Board members present were President Kerry Spradley, Secretary/Treasurer Pat Mulligan, Directors Doug Strain, Bill Earnest, which constituted a quorum to conduct company business. Manager Burris was also in attendance with Dick Dial, Don Vogelsang, Hubert Lormand, Jerry Kramer and Tom Hannifin as members at large.

The minutes of the previous open meeting of September 12th 2009 were presented to the board. Director Earnest moved to accept the minutes and was seconded by Director Strain. The minutes were approved by a vote of 5-0.

Agenda items 3 and 4 concerning real estate issues were tabled for a future meeting.

Board Member Ewell Jackson joined meeting.

President Spradley advised the board that a member in the Ranches has requested Sewer only service. The current tariff for sewer service is set at \$37.50 per month for the first 2000 gallons of water usage and an additional \$2.50 per thousand gallons, usage up to a maximum of 10,000 gallons, which makes a maximum sewer charge of \$57.50. There is no separate sewer service only tariff. If a customer wants their water cut off they can have the meter locked and be charged a \$13.00/month reserve fee plus a \$100.00 per incident service fee to lock and unlock the meter. Another option is they can have the water meter removed totally; at that point they lose the value of the tap fee that had been paid when the water service was initially established. Under this circumstance if the member later wanted to re- establish water service they would be treated as a new customer for water service and be subject to all applicable fees including equity buy in fees. President Spradley met with Manager Burris to discuss this and he also requested an opinion from counsel before calculating an equitable amount to charge as Sewer only service.

President Spradley made a motion to adopt and institute a fee for Sewer only service of \$57.50 per month. Secretary Mulligan seconded this motion. The motion was approved by a vote of 5-0.

Director Strain presented the findings of the standby fee committee. These are as follows:

Notes from Standby committee meeting held September 28 2009 11:00 AM. Present at the meeting were Secretary/Treasurer Mulligan and Director Strain at the WOWSC Offices.

The documents from the previous meetings were reviewed and a number of recommendations were made.

The Committee discussed the letter received from McCreary, Veselka, Bragg & Allen, P.C. the attorney representing the County of Burnet regarding outstanding tax liens on a number of lots in Windermere Oaks. The WOWSC has liens for outstanding standby fees on some of the same lots. The letter stated that the County would auction these lots on the Courthouse steps and at that time our liens would be cancelled because they are subordinate. **Action item: On January 1st 2010 we will review the disposition of these liens. If they have been foreclosed on we can take them off our list. If the liens are still outstanding we should renew our liens before February 1st.**

On January 1st 2010, if a member of the WOWSC has not paid their standby fees for their 2009 payment they shall be determined to be delinquent. **Action item: Manager Burris will review all outstanding payments after January 1st and will supply a list of delinquencies, together with updated amounts owed, to the board in sufficient time to enable the board to file property liens before February 1st 2010.**

Action item: The board shall review the list of delinquent standby fees and file property liens prior to February 1st 2010.

President Spradley, Director Earnest and Manager Burris discussed a meeting held by the LCRA to discuss the water situation.

President Spradley appointed himself and Director Earnest as the Pipeline Committee to discuss the possibility of installing a temporary pipeline from Barton Creek to Windermere Oaks to supply emergency water.

Manager Burris has already discussed hauling water to the community in the event the drought gets worse. **Action Item: Manager Burris to reserve trailers to haul water and pay any deposits necessary.**

President Spradley talked to counsel about charging the members a surcharge for hauling water into the community. The Board is authorized to charge a monthly surcharge and it only takes Board authorization to implement. A surcharge of \$100.00 per meter should be adequate to cover the costs of hauling water for a few months.

Manager Burris presented the exceptional usage report for all members using over the 7,000 gallons minimum proscribed for Stage 4.

Action Item: President Spradley will prepare a cover letter to the violation letter that thanks the members for their efforts in lowering their consumption.

Action item: Manager Burris will send a violation letter to each of those members who used over 7,000 gallons this month.

Action Item: President Spradley will call Sissinghurst, Ltd. regarding their consumption of over 20,000 gallons during the last billing period.

Action Item: Director Earnest will call Cervone regarding their consumption of over 20,000 gallons during the last billing period.

President Spradley indicated that he had sent a letter to Bob Wynne and his attorney Ken Wynne requesting a date to install the grinder pump and lift station at Bob's house. As of today, we have not had a response. We had a leak at the remaining lift station in Center Cove III last week and this situation is becoming urgent and we urgently need to take the lift station out of service. Director Earnest made a motion to confer with counsel to develop the proper procedure for requesting permission for the installation of a grinder pump, tank, and electrical connection at the service address or if permission is withheld, for notification of possible termination of service. Further, the motion directed President Spradley and Counsel Zeppa to prepare this letter to be sent by certified mail to Bob Wynne and his counsel, Ken Wynne. Director Jackson seconded this motion. The motion was approved by a vote of 5-0.

Director Jackson proposed that he work with the landscaping company to complete the landscaping at McAndrew's house and refresh the landscaping outside of the WOWSC building.

President Spradley presented an editorial from the Austin Statesman discussing the proposals from some communities to discharge sewage into Lake Travis.

Director Strain submitted his resignation letter effective October 4th, 2009 due to his leaving the community. President Spradley and the board thanked him for his service.

Member at large Vogelsang asked about the Lake Levels and the mud flats that are visible on the lake, and inquired whether it would be prudent to dredge these out to improve flow. After some discussion it was decided that there would be little improvement in water flow to our barge.

There being no further questions from the floor and no further business to conduct, Secretary Mulligan made a motion to adjourn the meeting at 11:34AM and Director Jackson seconded the motion. The vote was 5-0 to adjourn.

Secretary/Treasurer - Patrick J Mulligan.