

## **Hazy Hills Water Supply Corporation Board Meeting April 2, 2026**

Note that this was the March meeting that was rescheduled from March 26 due to board availability.

Meeting held via Zoom and recorded by AI Assist.

Board Members attending: Mike Thering, Shawn Young, Marilyn Boyer, Gretchen Herber and Kate Evans.

Also Attending: Curtis Jeffery, owner/operator Spicewood Utility Service.

No members attending

Meeting called to order 6:31

### **Quick recap**

The Hazy Hills Water Supply Corporation board meeting focused on reviewing financial reports, discussing budget updates, and addressing water system operations. Marilyn corrected February financial reporting figures and clarified the naming of the capital improvement account, while Mike explained the purpose of this dedicated fund for water system upgrades. Curtis reported that the water system was operating normally with 8-10,000 gallons daily usage and no reported leaks, though two abandoned meters still needed removal. The board discussed recent guidance from Texas Rural Water Association regarding developer requirements and system capacity upgrades, learning that it's their responsibility to plan for system improvements before reaching capacity. Kate and Mike shared insights from a meeting with Mary Alice McKaughan about potential developer agreements and funding opportunities through programs like WUTAP, which could provide up to \$150,000 for technical services and grant application preparation. The board also addressed technical issues including smart meter problems and the need for leak detection services, while discussing concerns about a new tiny home installation that might require additional water service connections.

### **Next steps**

- Marilyn: Rename the money market account to "Capital Improvement Account" (or similar) in reports.
- Curtis Jeffery: Pull the two abandoned meters as previously noted.
- Curtis Jeffery: Install a check valve on Well #3 to avoid manual operation.
- Gretchen: Send out instructions for setting up Zoom on Macs and assist Kate (and others) with setup.
- Mike: Share the current Zoom account password with Gretchen and coordinate the transition/management of the Zoom account.
- Curtis Jeffery: Send Mike the link to the Drinking Water Viewer website for sample schedules and testing requirements.

- Mike: Review and update the budget, specifically reducing the capital improvement allocation as discussed, and send the updated budget to all members (especially Marilyn for ongoing tracking).
- Mike: Reach out to Texas Rural Water Association (and/or circuit rider) to inquire about cost and process for leak detection and water line location services.
- Mike: Consider contacting David (Sharon's boyfriend) to follow up on the offer of property for a new well.
- Mike and team: Prepare information (e.g., number of connections, population served, income data) needed for the WTAP application prior to the special meeting.
- Mike: Send out the finalized budget to all members after cleaning it up.
- Marilyn: Track and investigate any meters that read zero for more than one month to ensure meters are working.
- Curtis Jeffrey: Follow up on zero usage meters and investigate meter situation with the new tiny home on Skaggs property.

## Summary

### Financial and Water System Updates

The meeting focused on financial reporting and water system updates. Marilyn corrected a February report figure from \$52,344 to \$51,000 and discussed renaming the "money market account" to the "Capital Improvement Account" for water system upgrades. The team reviewed various expenditures including Zoom fees, bookkeeping services, PEC charges, and Spicewood Utilities bills.

Operating Account balance: \$32,339.43

Money Market account (Capital Improvements) balance: \$51,556.39. February interest earned \$100.31, March interest \$111.19

Expenses paid:

3/2 \$18.11 to Zoom

3/4 \$101.00 to The Blessing Junkie aka Liberty Hill Bookkeeping

3/20 \$160.02 to PEC

3/20 \$59.44 to PEC for offsite well

3/20 \$2,977.74 to Spicewood Utilities for operations

3/20 \$31.01 Nexbill Pay shortage

3/30. \$18.11 to Zoom

Curtis reported that the water system was operating normally with wells producing 8-10,000 gallons daily and no recent leaks, although two abandoned meters still needed to be removed and a check valve replacement for well number 3 remained pending. Well #4 water level staying constant.

## **AI Tools and Meeting Setup**

The team discussed their experience using AI tools for meeting transcription, with Mike and Kate finding it effective despite needing some cleanup and formatting adjustments. Gretchen reported on member communications, noting the absence of a usual contributor and confirming website hosting arrangements. The group agreed to meet informally to help set up Zoom accounts, with Gretchen offering to assist with Mac setups while noting limited PC support. The conversation ended with a brief mention of budget discussions to follow.

## **Utility Budget and Testing Review**

The team reviewed the budget, focusing on utility service costs and testing requirements. They discussed new contract for Spicewood Utility Services, including increased billing and meter reading fees. Curtis explained the raw water testing process and costs, mentioning that some tests are conducted annually while others occur less frequently. The group also addressed maintenance and upgrade allocations, with Mike noting the use of a variable balancing number to adjust for budget overages. They briefly discussed the capital improvement fund, which has been used for various system improvements, including a pressure tank and well construction. The group reviewed current budget figures showing \$79,000 with upgrades versus \$67,000 without, and considered consulting with Texas Rural Water Association about proper accounting methods. The discussion concluded with Gretchen reporting she had saved \$50 annually by discontinuing Elementor web hosting services.

The board unanimously approved the new SUS contract for May 1st

## **Billing Structure and System Updates**

The team discussed and approved changes to their billing structure, including reducing the capital improvement amount by \$8,000, which brought them within the desired margin of \$97. Mike confirmed he would clean up the document and send it to everyone, with Marilyn receiving a working copy for inputting numbers. Kate then provided an update on a meeting with Mary Alice McKaughan from TRWA regarding a developer situation, where they learned it's their responsibility to upgrade the system before reaching capacity, particularly since they're approaching capacity limits. The team was informed they could request developers pay for upgrades as a non-standard service agreement while still below capacity. Mary Alice recommended exploring the Water Utility Technical Assistance Program (WUTAP) for potential funding to prepare technical service applications to help us apply for TDW

## **WUTAP Funding Application Planning**

The group discussed applying for funding through LUTAP to improve their water system. They reviewed requirements including connection counts, median household income data, and documentation needs. The team agreed to schedule a special meeting on Thursday the 16th at 2 PM to work through the application details, with plans to meet in person rather than via Zoom. Key action items included verifying connection numbers from past SUS bills and gathering required financial documentation.

### **Water System Improvement Discussion**

The group discussed upcoming meetings and potential water system improvements. They explored options for leak detection and water surveys through the Texas Rural Water Association, with Curtis sharing his experience of having TRWA equipment used locally but noting it didn't find significant issues. The team also discussed challenges with smart meters and the high costs associated with new well development, estimated at over \$1 million including regulatory fees. Regarding a property issue, Marilyn raised concerns about meters reading zero at the Skaggs and Petrazine property, and the group clarified that adding a new structure would need to be connected to the existing lot to avoid violating water usage rules.

**Next meeting schedule for April 23, 2026 at 6:30 via Zoom.**