

Minutes of the Special General Membership Meeting  
High Gabriel Water Supply Corporation  
June 30, 2009

The meeting was called to order at 7:05 PM at the VFW Events Center on FM 2243 by Chairman Denny Springer. Board members present were Chairman Denny Springer, Vice-Chairman Sue Couchman, Secretary Chuck Trahan, Treasurer Liesl Gerulis, members Chuck Cutrer and TeresaDeBusk. Lyndon White was absent. There was a quorum of the board present. In addition to the board members, there were 61 members of the corporation present.

Chairman Denny Springer gave a history of the events that transpired since the pump on well number two failed in January as documented on the attached sheet.

Chairman Denny Springer then opened the meeting for questions and comments. Many people had comments or questions and these were answered to the best of the board's ability. This discussion went on for a considerable period of time with several members being recognized two or more times.

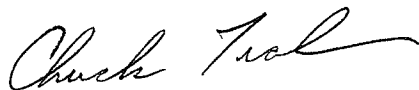
At 7:43 PM board member Lyndon White arrived. The entire board was now present for the remainder of the meeting.

Travis Henry called the question and Chairman Denny Springer put forth the following motion:

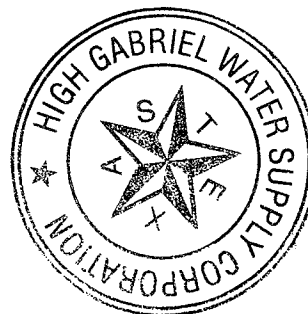
Motion that the Water Supply Corporation immediately begin work to drill a new well and the members be assessed \$600.00 each to be billed at \$100 a month for six months. The motion was seconded by Ed Macis. The motion was approved 53 for 4 against, 11 abstaining.

Leo Hatcher made a motion to reduce the assessment to \$50.00 a month for twelve months versus \$100 a month for six months. Sylvia Thornton seconded this motion. The motion failed to carry by a vote of 16 for, 32 against, 20 abstaining

Travis Henry made a motion to adjourn the meeting. The motion was seconded by Roy Berry. The motion passed by acclamation and the meeting was adjourned at 8:05 PM



Chuck Trahan  
Secretary



Note to record by the HWWSC Board President

In mid January, the pump in well #2 failed. Replacing the pump, pulling the old pump and installing the new pump cost approximately \$25,000. The board was forced to approve a special assessment to the members to pay for this work and equipment.

When the pump was started, the water was not clear so a schedule was determined to pump the well to waste for about 8 hours a day. The schedule was modified at times because of the tremendous amount of water that was wasted.

This pumping to clear the well continued for two months. At that time the water was still not clear. Consulting the driller provided no explanation for the well trouble.

The well stabilized to the point in early May that the cloudiness occurred after 5 to 15 minutes after pumping began and was cloudy to the point of looking muddy. However, after 5 to 10 minutes of muddy, the water cleared and looked good from then on.

The board then decided to buy a diverter valve which would automatically switch the well to waste until a time had elapsed that would insure good water.

In late May, prior to the delivery of the valve, the members' water use had put the WSC in a serious water shortage. The President and Water Manager decided to use the well with manual switching. This method worked well enough to permit complete removal of watering restrictions.

On or about June 18, the well pumped mud in the middle of the pumping cycle. The Board and Water Manager concluded that the well was no longer reliable enough to use.

The Board felt that drilling a new well was the best option and lowest cost for members. An emergency meeting of the members was called on June 30<sup>th</sup>. The Board asked for approval from the members to drill a new well. The motion was approved and a second motion fixed the payment schedule at \$100/month for 6 months.

The Board had considered three alternatives to drilling a new well. The first alternative was to purchase water from the Brazos River Authority. This option was rejected as the purchase was for blocks of water per month of nearly 10 times our needs. It didn't matter if the WSC used the water or not, the water had to be paid for in total. Also there was no delivery system which added a very high capital cost estimated to be in excess of \$500,000.

The second Alternative was to purchase water from Leander. Water costs from them would have been more than double our current cost and the delivery system was estimated at up to \$500,000.

The third alternative was purchase from Chisholm Trail. The cost of water would have more than doubled and the delivery system was estimated at up to \$350,000.

  
Denny Springer  
President, HGWSC

