

**Minutes of the Bartonville Water Supply Corporation  
Board of Directors Meeting  
Tuesday, February 10, 2004  
Bartonville Water Supply Corporation Office  
1911 East Jeter Road  
Bartonville, Texas 76226**

**1. Call to Order.**

Vice-President Greaves called the meeting of the Board of Directors of Bartonville Water Supply Corporation to order at 7:14 p.m. on Tuesday, February 10, 2004 at the corporation office, 1911 East Jeter Road, Bartonville, Texas.

**Directors in Attendance**

Thomas Greaves, Vice-President  
Larry Kaufman, Secretary-Treasurer  
Lloyd Hanson  
Dale Mutschler  
Kevin Alberts

**Directors Absent**

Michael Paulson, President  
Scott Kilpatrick

**Consultants in Attendance**

Ronnie Phillips, Esq.  
Wayne Ginn, PE  
Joseph Kotrla, PE

**Staff in Attendance**

Jim Leggieri, General Manager  
Rena Vincent, Utility Billing

**12. Staff Reports (SCADA only)**

Wayne Ginn and Jim Leggieri stated they would like to move ahead to discuss the SCADA portion of Leggieri's report since Joe Kotrla from McReary and Associates was in attendance.

Leggieri informed the Board that he, Wayne Ginn, Ronnie Phillips, and Joe Kotrla met to discuss issues with the SCADA system prior to the Board Meeting. Leggieri stated that there were still three areas that lack 100% functioning. The first item is a programming problem on one meter that I&C Sales reported about during last month's Board Meeting. This item could be fixed at no cost and should take no more than thirty minutes. The second item is a problem with a direct bury pipe that was installed in 1985 with a strapped on meter that I&C Sales determined that corrosion is periodically interfering with the meter reading. This problem should be able to be fixed by BWSC replacing the direct bury pipe with the same size PVC pipe and I&C Sales would be able to calibrate from BWSC office. The third item is at Shiloh Pump Station. The application will not work with the meter WHF originally installed. When the system was installed, the cost of a new meter would have

been \$8,000 to \$10,000. Kotrla explained that the meter used was apparently bad from the beginning. At this time the cost to replace the meter is approximately \$3,000 for hardware and I&C Sales would be able to do the programming at no charge due to the maintenance contract.

Kaufman asked if all the meters being discussed were production flow meters and Leggieri stated they concerned both production and distribution. Kaufman also questioned if the inventory meters were working to a point that BWSC has an accurate record of quantities in storage? BWSC could set a cutoff time and know the exact quantities in the storage tanks at that time. Leggieri stated that based on the capabilities of the system, the only issues at this time are the three problems being addressed and that graphic reports will show number of gallons in the elevated tanks along with flow during a twelve to twenty-four hour period. For example, if you wanted to know the number of gallons at 11 p.m., then the report will indicate this information. Kaufman asked if information of quantities could be given on a daily, weekly or monthly basis? Leggieri stated that Tony Mauldin, Water Superintendent handles this information every morning and would be a better person to supply information, but that the reports will indicate the time of spikes in the system.

Kaufman stated that having accurate readings on the number of gallons in the storage tanks would better determine peak demand that would enable BWSC to set a time for shutting down electricity to the storage tanks and take advantage of Industrial Time of Use program that CoServ offers to save money.

Leggieri stated that since the cost to replace the meter at the Shiloh Pump Station was considerably less than what it would have cost originally with WHF, that it may be more cost effective for BWSC to just go ahead and replace the meter than to start a lawsuit with WHF. Ronnie Phillips stated that WHF should have had the expertise to know what was wrong and fix the problem in the beginning. I&C Sales has been able to do the warranty work without charge in order to prove the system does what it is suppose to do, mainly to protect Motorola's name. BWSC hasn't suffered any damages except for some delays and some potential losses in savings for the ITU program over the last two years. Phillips stated it is pretty speculative in trying to recuperate these losses from WHF to the cost effectiveness of going ahead and fixing the system. Kaufman stated that BWSC just needed to determine if it would take a lawsuit against WHF in order to get the system fixed.

## **2. Executive Session Concerning:**

**Greaves announced at 7:33 p.m. that the Board would convene in Executive Session concerning:**

- a) **All Matters Concerning the R.O.W. for the Hilltop Road Waterline, Pursuant to Government Code, Section 551.072.**
- b) **All Matters Concerning the Stargate Pump Station / Stoney Ridge R.O.W., Pursuant to Government Code, Section 551.072.**

- c) **All Matters Concerning the Securing of the Waterline Easement/ Thornhill Ranch Estates, Block A Lot 9, Pursuant to Government Code, Section 551.072.**

**The Board took no action and reconvened in Open Session at 7:58 p.m.**

**3. Public Forum**

No one was present.

**4. Approve the Minutes of the January 19, 2004 Board Meeting.**

Motion by Kaufman and second by Alberts to approve the minutes of the January 19, 2004 Board Meeting. Motion carried unanimously.

**5. Approve the January 2004 Disbursements and Financial Report.**

Motion by Kaufman and second by Hanson to approve the January 2004 Disbursements and Financial Report. Motion carried unanimously.

**6. Discussion and Action on All Matters Related to Tariff Update Regarding Equity Buy-In Fees.**

Leggieri stated that Jennifer Drury put numbers together to determine the price increase for new meter installations during 2004. The price has increased from \$5,469 to \$5,647, showing an increase of \$178.

Greaves asked if this would be reported at the annual meeting and Kaufman stated no, that this is the cost for anyone coming in buying a lot. Leggieri stated that this is the membership fee of \$150, meter charge of \$395 and \$5,647 Equity Buy-In Fee. Greaves questioned the membership fee. Leggieri stated it is a member owned corporation and that this fee is refundable. The customer has the option to transfer this fee to another property or receive a refund check. Hanson asked if we increased this in 2002 and Kaufman stated we have been increasing this every year for about the last seven years.

Motion by Kaufman and second by Hanson to accept increase for 2004 Equity Buy-In Fees. Motion carried unanimously.

**7. Discussion and Action on All Matters Pertaining to the Annual Meeting Including Setting the Date, Time, Location, and Approval of the Official Notice, Proxy, and Agenda.**

During discussion of setting the date for the Annual Meeting, Rena Vincent stated that the Auditor has requested that the meeting be set for after April 15, 2004. The Board of Directors set the annual meeting date of April 19, 2004 at 7:30 p.m. and approved all schedules pertaining to the annual meeting.

Motion by Kaufman and second by Alberts to set the date, time, location, and approval of the Official Notice, Proxy, and Agenda regarding the Annual Meeting of BWSC. Motion carried unanimously.

**8. Discussion and Action on All Matters Regarding the Acceptance of the Flower Mound Animal Shelter On-Site Water Lines.**

Motion by Kaufman and second by Alberts to approve all matters regarding the Acceptance of the Flower Mound Animal Shelter On-Site Water Lines. Motion carried unanimously.

**9. Discussion and Action on All Matters Concerning the R.O.W. for the Hilltop Road Waterline.**

No discussion. No Action.

**10. Discussion and Action on All Matters Concerning The Stargate Pump Station / Stoney Ridge R.O.W.**

Ginn stated that he had received the easements pertaining to the Stargate Pump Station/Stoney Ridge. Ginn recommended acceptance of these easements and informed Leggieri that he would like a copy of the easements after they were filed with the County Clerks office.

Motion by Mutschler and second by Alberts to accept Ginn's recommendation on acceptance of the easements for The Stargate Pump Station/Stoney Ridge R.O.W. Motion carried unanimously.

**11. Discussion and Action on All Matters Concerning the Securing of the Waterline Easement / Thornhill Ranch Estates, Block A Lot 9.**

No discussion. No Action.

**12. Staff Reports.**

Leggieri stated that he would like to form a committee regarding the Industrial Time of Use (ITU) Program offered by CoServ and would like to meet prior to the March Board Meeting. Leggieri said that Greaves would be interested and Kaufman said he would sit on the committee. The meeting is set for March 4, 2004 at 1:30 p.m. Leggieri suggested having a CoServ representative sit in as well. Ginn stated that he thought Kotrla would have a wealth of information that might be helpful to BWSC in initiating this project. Kaufman stated that right now he feels that the committee needs to meet and come up with an approach and he personally thinks that the committee could easily come up with a couple of ways to start and once BWSC has had success with these then BWSC may want to consider a possible consultant for major changes.

Leggieri stated that the numbers in the Board Packet showing the savings if ITU were in place are from 2003. Leggieri explained that the breakdown shows the current amount, then

what would be charged if BWSC only participated on a partial basis and then what would be charged if BWSC participated at 100%. Leggieri stated that this is his understanding after speaking with CoServ. Kaufman feels that we should be able to shut some of the pump stations down during certain time periods for 365 days a year without interfering with BWSC daily production. Kaufman feels there is a large savings benefit with this program. Leggieri gave an example of shutting down the Pump Station at 407, which consumes the least amount of energy due to the plane it is on. Then if the Shiloh Pump Station is shut down, the Stonewood Pump station could be operating at twenty-four hours a day. This could effortlessly drain a 300,000 gallon tank at 700 gallons per minute and it would empty the tank to a point that it would be difficult to catch up since the well only pumps at 150 gallons per minute. This needs to be taken in to consideration along with the pump station working so much time it would take away any savings available. Greaves asked if the booster pumps at Copper Hill could supply what was needed? What if every pump station is shut off during the peak times and the tower was full, could these booster pumps satisfy any demand that BWSC may need? Leggieri stated this was an engineering question. Leggieri stated that in his report he used actual numbers to determine how often the run time was during peak demand. Kaufman stated that BWSC may need to adjust target inventories, that BWSC doesn't keep a full inventory. Leggieri stated that the inventory was just under capacity, as the water needs to be able to turn over.

Ginn stated that Paul Lipscomb, P.E. is working on a hydraulic model that may help during the shut down times. He also stated that some water supplies keep a one-day storage on hand and that this might help. Kaufman stated that we might be able to get up to one and half days storage along the way. Ginn stated that he thinks the Board will be pleasantly surprised with the hydraulic model because you will be able to handle the "what if" situations.

Leggieri handed out a report showing the correct number for the year end unaccounted for water loss. He explained that the numbers previously used were for billing dates not first to end of month dates. Changing these numbers to correspond with billing dates now brings BWSC to a 4.44% water loss and the industry standard is 15%. He explained that a 1/4" leak could be a loose gasket that may not come to the surface in August because a crack in the ground would absorb that water. Kaufman stated that if our loss is 4% that is good. Kaufman stated that if SCADA were running correctly this could be checked daily. Leggieri said yes. Kaufman stated that this would be a better control to see where the real loss is through production, distribution and inventory change. Alberts said we would need to get the new meter in and Leggieri stated that he instructed Kotrla on the way out to call I&C Sales and order the meter.

Kaufman asked Leggieri, in preparation for the ITU meeting on March 4, 2004, if the inventories were working when would be a good cutoff time, maybe midnight, and Leggieri said he would check with the Water Superintendent. Kaufman would like a time set for cutoff and recording of inventories, production and distribution levels for a twenty-four hour period. Kaufman stated that he would like this information for the ITU meeting to be able to know inventory levels. He would like to see a report once a month showing daily inventories, production and loss that will help when determining peak demand. Greaves

asked if a graph would be available for any particular day to show fill levels on all tanks during the day.

Kaufman stated that he wondered how to measure the Task Priority List. Leggieri stated BWSC keeps work orders to quote time and that it could be monitored on a monthly basis. Leggieri explained that the list is very detailed on what a person needs to do and how to respond. Unless someone was unable to read there should be no reason to miss anything. Hanson stated that the information shows clearly that a policy, procedure and tracking system are in place. If this were not being followed the tracking procedures should be able to show on a regular basis what procedures were not being followed. Leggieri stated that this is based from his own experience and where he held his standards.

Hanson asked if Leggieri had a recommendation on how to maximize efficiency in field personnel to cut down on subcontractor expenses. Leggieri stated that he would like to take someone from within to develop the "C" license position that is currently open. Eric Laird, who has been with BWSC for two years, just went through a Ground Water Production Course and exam for the "C" license and is currently waiting on the results. Greaves asked if Laird would get a raise if he passed the test? Leggieri stated this was open for consideration, but not to the amount the position is budgeted. This would allow BWSC to hire a helper at a lower pay scale. Kaufman stated that he would have to challenge this request because the budgeted amount for the position plus benefits could be higher than the amount of money BWSC has spent using subcontractors since the position was approved. Leggieri agreed that there could be a balance issue.

### **13. Consultants Reports.**

Ginn stated that he would like to do some research on the EM Construction payment request #4 for \$46,000. Ginn believes it may be overstated. This is not the final payment request and will need to be paid. BWSC is holding a 5% retainage and the final payment will need Board approval.

Ginn stated that he had earlier mentioned that the Hydraulic model was coming along nicely and would be ready for presentation before too much longer.

### **14. Review Future Agenda Items, Activities, Announcements, Set the Time and Date of the March 2004 Meeting.**

Next Board Meeting is set for March 15, 2004 at 7:00 p.m.

### **15. Adjournment**

Motion by Kaufman and second by Hanson to adjourn the meeting. Motion approved unanimously. The meeting adjourned at 9:02 p.m.

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Recorded by Rena Vincent, Utility Billing

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Certified by Larry Kaufman, Secretary-Treasurer