

A photograph of a water treatment facility. In the foreground, there is a gravel area and a paved road. A chain-link fence runs across the middle ground. Behind the fence, there are two large cylindrical water tanks. The tank on the left is painted green, while the one on the right is silver with a metal ladder on top. There are also several green metal cabinets or enclosures. In the background, there are trees and a clear blue sky.

Skyline Ranch Estates Water Supply Corp

Annual Meeting
17 April 2010

Board of Directors

- 2009 Interim Director: Lisa Shine
- Director at Large: James Nelson
- Director: Stephen Greenberg
- Secretary: Eric Eubank
- Treasurer: Rob Edelson
- Operations: Harlan Mettenbrink
- VP: Andy Jefferies
- President: I-Pei Hodge

Major Activities in 2009

- Improved water quality
- Increased system reliability
- Revised drought response and conservation plan
- Renegotiated annual well permit amount with Hays Trinity Water Conservation District

Improved Water Quality



- Chemical treatment and well flushing
- Installation of inflatable packer

Water Quality Comparison

November 2006

- Calcium 416 mg/L
- Iron 0.509 mg/L
- Sodium 8.13 mg/L
- Hardness (As CaCO₃)
1280 mg/L

December 2009

- Calcium 67.4 mg/L
- Iron 0.065 mg/L
- Sodium 6.31 mg/L
- Hardness (as CaCO₃)
304 mg/L

Increased System Reliability



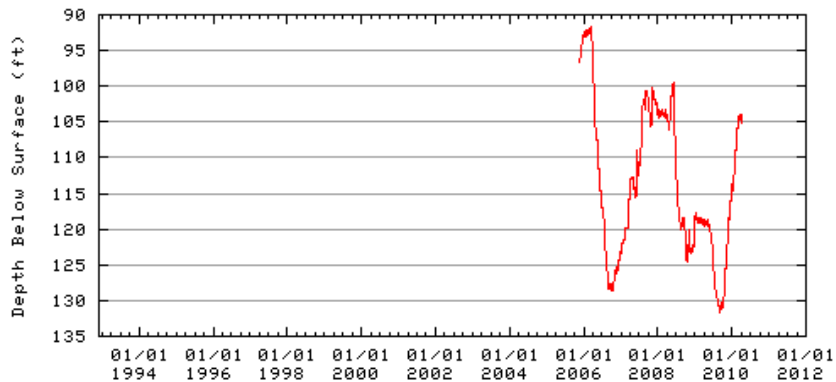
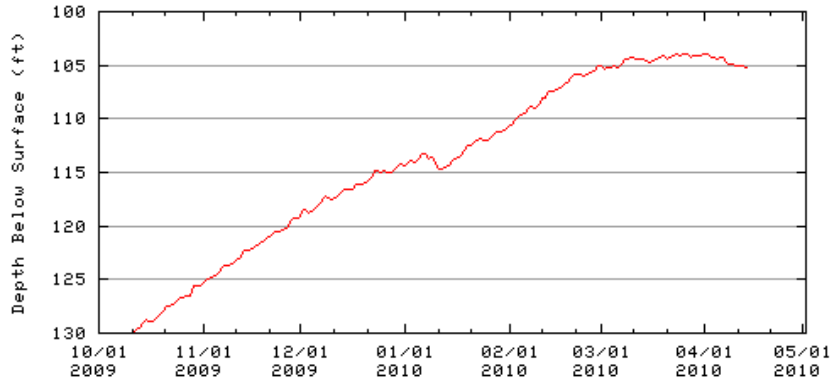
- Installed 36 KW Generac Generator

- Installed 1000 gallon propane tank

Revised Drought Response Plan

Data: Texas Water Development Board Updated: 04-16-2010 06:52
Graphics: Texas Water Dev. Bd. Last Reading: 4-14-2010, 105.20 ft
NOTE: Graphs show only highest daily water level (daily minimum depth)

Hays County - Well Number: 5764705

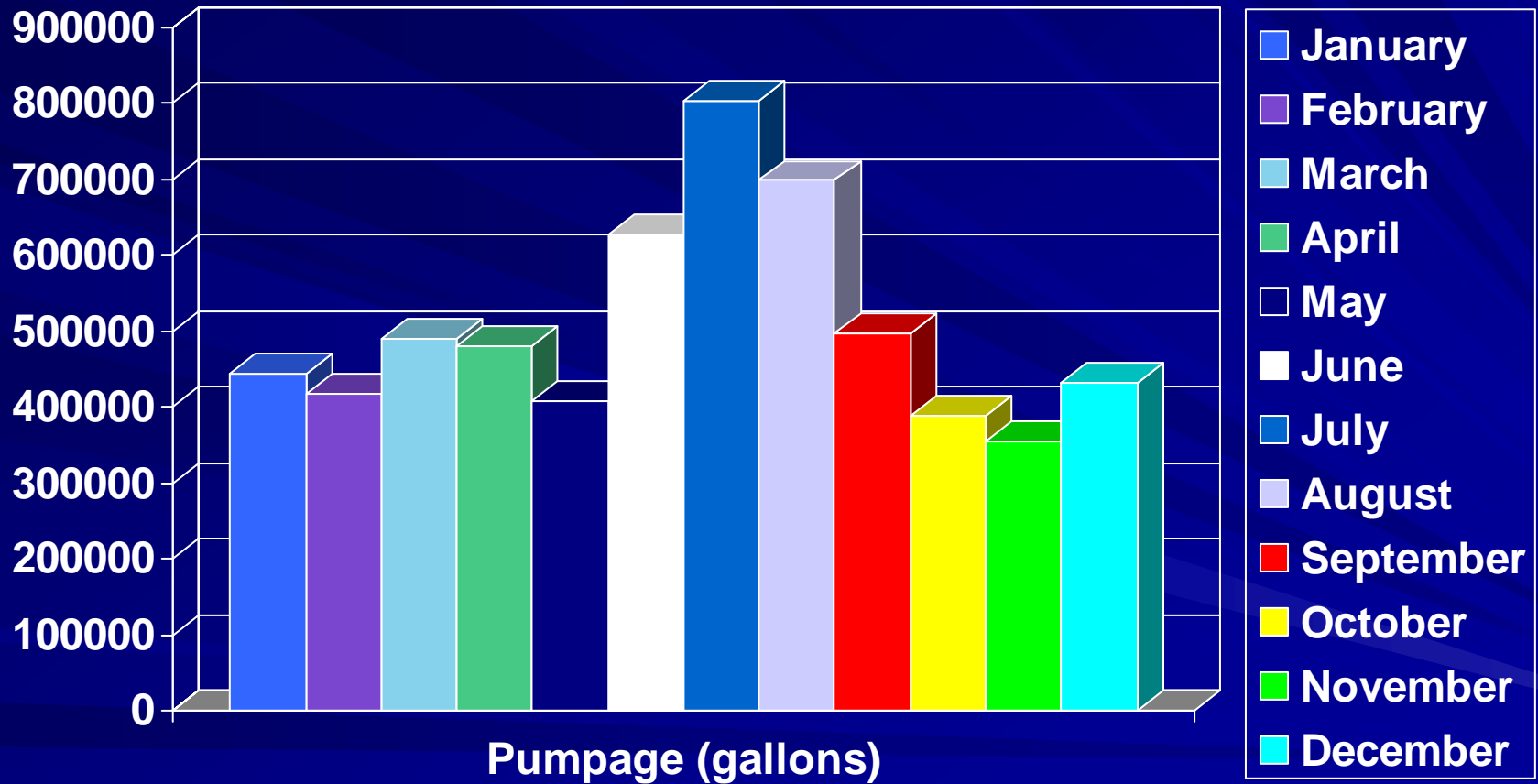


- Based drought stages on water depth in Mt. Baldy Well
- Aligned conservation response measures with HTGCD Plan
- Conserved water!

Renegotiated Annual Well Permit with HTGCD

- 2008/2009 Permit levels at 21.7 acre feet (7.07 million gallons)
- 2010 Permit level at 29.25 acre feet (9.53 million gallons)
- HTGCD permit based on average 330 gallons per day per household
- Well Permit expires March 31, 2011

2009 Water Pumpage



2009 Financial Summary

1/1/2009-12/31/2009

- Total income: \$54,841
- Total expenses: \$51,001
- Overall Total \$3,840
- Reserve: \$21,260
- Community Resource Group (CRG) Loan Disbursement: \$78,409
- P&I Payments: \$1165 per month
- 5.9 percent interest rate; 7 year term
- 2009 Ending Loan Balance: \$73,638

2010 Activities to Date

- Implemented Backflow Prevention Program
- Conducting Tariff Study



Backflow Prevention Program

- Required by Texas Administrative Code
- Ensures that water from a secondary private source does not enter the WSC public supply
- Compliance met by installing double check valve backflow assemblies at 7 homes and disconnecting 2 homes with secondary sources
- Backflow valves must be tested annually

Tariff Study

- Review SRE-WSC rate and expense structure
- Research similarly situated communities within the U.S., with an emphasis on Texas communities
- Compare the rate structure of other water purveyors with the SRE-WSC
- Findings will assist in a revision of SRE-WSC rate structure

Questions or Comments

I-Pei Hodge 847-9045
ipeihodge@gmail.com