TWIN CREEK WATER SUPPLY CORPORTATION
FALL NEWSLETTER 2017
Volume I, Issue 31 Fall 2017

MESSAGE FROM THE PRESIDENT

Dear Twin Creek Water Supply Corporation (TCWSC) Members,

Well, we are at the end of another long hot summer and, in preparing to write this article, I reviewed all of the events or history of the summer. It was indeed a very busy period for your water company.

It all started with the awarding of the contract to drill the new well at the New Baden location to replace the 50 year old well that failed the year before. The contract was awarded in early May and drilling commenced soon after. As of this writing, the drilling was successfully completed and the well has been prepared for service. We are now in a waiting period for the Texas Commission on Environmental Quality (TCEQ) to agree that the well was drilled according to their original permit and that all of the water samples meet their guidelines. We do not expect any issues to that end; it's just a matter of the time it takes to get through the TCEQ process. That can take as much as 60 days but, we're hoping for sooner. At the latest, we should have the well "on-line" and producing drinking water by the end of the calendar year. I want to personally thank Mary Caudle and her staff for all of their diligent work in dealing with all of the issues/problems in getting this project successfully completed. I also want to thank the TCWCS B.O.D. for their diligent "oversite" during the drilling process.

One of my memories during this period was the Camp Creek Water Company's Stockholders Meeting last April. During that meeting, a discussion was opened on the floor as to the details of the loan that the Water Company had extended to TCWSC in order to have the funds to drill the New Baden well. While the details of that discussion are part of the minutes of the meeting, other questions were raised that focused on the Twin Creek Water Supply Corporation (TCWSC); as to why the monthly water rates have been increased over the past two years. Interesting question considering the previous discussion was about the payment of a loan to drill a new well. At any rate, those questions have bothered me to some extent over the past months and I wanted to take this time to lay out my thoughts.

As I hope most of you know, the TCWSC is a member owned, not for profit Corporation, formed under the Texas Water Code. TCWSC is highly regulated by the State and TCEQ. It is allowed to have an "operational" profit in order to have funds to assure the future of the Corporation. TCWSC is managed under the "By-Laws" of the Corporation by an elected Board of Directors (BOD), who are elected by the membership. TCWSC is not a private for profit corporation or a municipal utility. I emphasize this statement because I hear comments from time to time from members/customers to the contrary.

Under the TCWSC By-Laws, there is an annual member/stockholder meeting in April at which time the BOD and staff discuss TCWSC business and try to answer any questions pertinent to the operation of TCWSC. Considering that we have 625 stockholders, that meeting has been poorly attended for decades and usually has less than ten stockholders in attendance not counting the Directors. Since I have served as President, the BOD had interpreted that message as the membership saying “good job, carry on”. But, unfortunately, the downside of that small attendance is an “uninformed” membership which is not good. One of my goals with this message is to give you some facts about your water company that you probably are not aware of.

The water rates of our company must reflect covering the costs that are incurred in providing quality drinking water under the governance of TCEQ and the Texas Water Code. There are direct costs in supplying that water to your tap and there are costs associated with maintaining the system infrastructure in order to deliver the water. Pretty simple business logic when you think about it.

TCWSC has, on any given day, approximately 700 meters or connections. The Texas Rural Water Association (we are a member), which has about 3000 WSC’s in their membership, rates us as a “medium” sized WSC. With the data that they collect from their members, they report that a medium sized WSC should have annual revenue from meter fees and water sales of $700,000.00 to $800,000.00. Even with the last two rate increases, the TCWSC annual revenue is under $500,000.00. Why, you ask?

According to the 2014 Government Accounting Report, each American uses an average of **88** gallons of water a day at home. If we use that number along with the average household being at least 3 people, simple math says we have a total daily household usage of **264** gallons. Further extrapolation tells us that we would then have a total monthly household usage of **7920** gallons. With the exception of a couple of drought months a year, TCWSC average water sales per connection falls below **3000** gallons per month, which by the way, is included with the monthly meter charge. So TCWSC does not get an opportunity to gain the revenue from those unused **4920** gallons per meter times 700 meters, or **3,444,000** gallons of water a month. You may say, “Well we’re conserving our water”. This is a great goal given the burden being put on Texas water sources, but what is the downside. Further extrapolation tells us that we would then have a total monthly household usage of **7920** gallons. With the exception of a couple of drought months a year, TCWSC average water sales per connection falls below **3000** gallons per month, which by the way, is included

with the monthly meter charge. So TCWSC does not get an opportunity to gain the revenue from those unused **4920** gallons per meter times 700 meters, or **3,444,000** gallons of water a month. You may say, “Well we’re conserving our water”. This is a great goal given the burden being put on Texas water sources, but what is the downside.

The downside issue with our WSC is that we have a large population of members who are not full-time residents so, therefore, their household usage does not meet the U.S. average. A review of our monthly usage shows that over one half of our meters use either zero water or less than the 3000 gallons allowed with the base rate. I think this is just the nature of our population given that almost two thirds of our meters are located on Camp Creek Lake which means water is only used when those members are at the lake. I think this is perfectly understandable.

What all this does mean for members is that we’re dealing with a unique situation at TCWSC and it’s a big challenge. How do we operate the water company on a long term basis with the shortfall in revenue? Remember that we still have the same infrastructure to maintain as those other medium sized WSC’s including 4 water wells.

Business 101 says that we should have cash-on-hand equal to a year’s revenue to deal with unexpected costs like the one we just experienced with the New Baden well. If we had not had a source for a friendly loan, that well would not have been replaced which could have put the ability to meet the needs of the system in jeopardy. This is especially true when we consider our other wells are approaching their life expectancy in the next 5-10 years.

What does all of this information mean to us? I truly believe in order for TCWSC to meet the needs of its members for the next 10-20 years, we are going to be faced with an ever increasing cost of water for the members. You can bet that your BOD is not going to raise meter fees and water rates without a fiscal justification and keeping the members long term interest in mind. That’s our job.

Thank you for reading our newsletter and I apologize for the lengthy and sobering message, but I feel I have a responsibility to be as honest as I can be.

Sincerely,

John Edmondson

President, TCWSC

PREPARATION AND RESPONCE IN CASE OF AN OUTAGE

Many of you may not realize that TCWSC's operators and office staff are on call 24 hours 7 days a week. They are a vital and necessary part of our systems' success in staying online and assuring dependable water delivery. We must have this coverage in the event of an emergency, which could be a small leak in a pipe or a catastrophic storm affecting the electric service or intense flooding. 2017 has been a year of many storms. We have been a very blessed community that was spared the devastation of the recent storm "Hurricane Harvey" which caused major loss of property and human life. As a public Water supply system we must be prepared for these storms to protect our membership from being without water. This year our system was affected by 2 different lightning storms with heavy wind and rain that caused major damage to our infrastructure at Well #2, Well #3, and our office building. Our operations department and office personal work in combination for scheduled outages and notify our membership in advance of any planned outages when possible. I am proud to report that, because of TCWSC's staff team work and emergency preparedness, we were able to minimize the down time in water outages for our membership. From the time the water is pumped out of the ground, and until it comes running out of your faucet, you can rest assured that we are diligently working to maintain a quality product at an affordable cost.

Sincerely,

TCWSC Staff

Record Amount of Capital Improvements To Infrastructure In 2017

Dear Membership,

This year has been extremely busy for our TCWSC staff. In addition to the staff's normal day-to day duties, the staff has been, and still is, involved with engineering design, TCEQ approvals, estimating, co-ordination, supervision, construction, and lab analysis samples for the various capital projects. The expenditures for these projects far exceed any annual expense since the original system construction in 1970.

The New Baden well casing was breached and the well was shut down in late 2015. With lack of funds to drill a new well at that time, the Board asked our engineering firm to give us a more economical alternative solution. A plan was developed to upgrade the Correy Booster Plant and install a by-pass system at the New Baden Plant that would utilize the existing storage and pressure tanks. However, before bid requests went out, an unsolicited loan for $360,000.00 was offered to TCWSC by CCWC in early summer of 2016 which had favorable terms we could afford. We accepted this loan, cancelled the alternative plan, and instructed our engineer to design, seek TCEQ approval, prepare bid request, and construct a new well at New Baden.

During this period, we first contracted to have the interior of both the storage and pressure tanks at New Baden sand-blasted, painted, and access doors re-worked with new seals. The total cost for this work was $26,800.00. The next item of work was to contract for the New Baden by-pass work so that the northern part of our system would still have adequate volume and pressure during the peak demands of summer.

The total cost for this work was $22,884.00. The old New Baden well was abandoned, pump with piping removed, and cement plugged for a cost of $10,800.00. The base contract for the drilling of the New Baden well was $273,700.00. It was executed in late April 2017 with an estimated completion date of August 27, 2017. Before drilling was started, our staff removed 2 trees, installed a new drainage pipe across the site, removed a portion of chain-link fencing, and extended the white-rock roadway to accommodate the new well location. After the well contract was complete, we began work items that we are responsible for such as the piping connection, electrical work, final white-rock work, site grading, grass seeding, installation of new chain-link fencing/new gate, and new signage.

Estimated additional cost for our work above the contract amount is $12,000.00. As of this writing, we believe final completion will be in November 2017. TCEQ approval to produce and operate the well should be received by the end of the year.

Another planned infrastructure project is to sand-blast, paint, and re-work the access door/new seals at Plant #1, Tank #2. Probes on Tank #1 will be installed. We purposely delayed this work until after the summer water demand had passed before taking this tank off-line. The cost for this work is estimated at $25,800.00 and is scheduled to be done this fall/winter.

To date, we have experienced 2 major non-budgeted capital expenditures. The first was lightning damage to Well #2 that required replacing the submerged pump and electrical wiring. After our insurance claim was processed, the net cost was $11,481.56.

The second non-budgeted project was replacing 2 pumps and valving at Well #3 that failed in August 2017. The total cost for this item was $13,955.24. Since the contractor was already on-site, the Board elected to install “soft-starts” for these pumps at a cost of $6,850.00. These help prolong the pump life and lower the electrical costs.

We also had 4 pumps re-conditioned and placed in our inventory as back-ups when needed at a cost of $8,110.00.

Total costs to date for engineering services for all of the above projects is $58,909.77. These costs include consultation, TCEQ required approvals, project plans/specs, bid requests, construction supervision, and draw request approvals.

As you can see, our staff has been very busy and engaged this year. Please join us in a round-of-applause for their hard work and dedication to maintaining our water distribution system with minimal outages and inconveniences to our Membership.

Sincerely,

TCWSC Board of Directors

Article Originally Published by: ESP Water Products:

Sometimes interesting-Sometimes disturbing- Read on to learn more about the water in your life. Everything you ever wanted to know about water.

50 amazing facts about water:

1.) Less than 1% of the water supply on earth can be used as drinking water.

2.) By the time a person feels thirsty, his or her body has lost over 1 percent of its total water amount.

3.) About 25,700 liters (6,800 gallons) of water is required to grow a day's food for a family of four.

4.) Groundwater can take a human lifetime just to traverse ONE mile.

5.) A person can live about a month without food, but only about a week without water. If a human does not absorb enough water, dehydration is the result.

6.) Most of the earth's surface water is permanently frozen or salty.

7.) If all the world's water were fit into a gallon jug, the fresh water available for us to use would equal only about one tablespoon.

8.) When water contains a lot of calcium and magnesium, it is called hard water. Hard water is not suited for all purposes water is normally used for.

9.) An acre of corn will give off 15,000 liters (4,000 gallons) of water per day in evaporation.

10.) A small drip from a faucet can waste as much as 75 liters of water a day.

11.) Of all the water on earth, only 2.5% is fresh water. Fresh water is either groundwater (0.5%) or readily accessible water in lakes, streams, rivers, etc. (0.01%)

12.) As oceans are very wide and there are multiple to be found on earth, oceans store most of the earth's water. This is apparently 97% of the total amount of water on earth, 2% of which is frozen.

13.) Human bones are 25% water.

14.) Most of the world's people must walk at least 3 hours to fetch water.

15.) Today, at least 400 million people live in regions with severe water shortages.

16.) It takes 450 liters (120 gallons) of water to produce one egg.

17.) Bottled water can be up to 1000 times more expensive than tap water and it may not be as safe.

18.) "Legally Safe" and "Totally Safe" mean two completely different things to the EPA. The CWA (Clean Water Act) regulates 9 contaminants. If tap water contains less than the maximum acceptable levels of those contaminants your water is legally safe. Yet the EPA is investigating 10,000 others that are not regulated, known to be in tap water, with safety unknown. Hence, the reason you should 'treat' "Legally Safe" water.

19.) Two thirds of the water used in a home is used in the bathroom.

20.) Less than 1% of the water treated by public water suppliers is used for drinking and cooking.

21.) More than 2 billion people on earth do not have a safe supply of water.

22.) The largest selling brand of bottled water (Aquafina) is treated tap water packaged by Pepsi. Not to be outdone, Coke sells it under the label Dasani.

23.) 70% of an elephant is water.

24.) Groundwater supplies serve about 80% of the population, whereas up to 4% of usable groundwater is already polluted.

25.) By the time a person feels thirsty, his or her body has lost over 1% of its total water amount.

26.) Each day, enough rain falls on the United States to cover the entire state of Vermont with 2 ft. of water.

27.) Each day, U.S. water users withdraw enough water to fill a line of Olympic-size swimming pools that would reach around the world.

28.) Water makes up a full 70% of our body mass.

29.) You should drink enough to equal ½ your body weight in ounces each day. If you weigh 140lbs., drink 70oz. and if you weigh 200 lbs. drink 100oz.

30.) It takes 7,000 liters (1,850 gallons) of water to refine one barrel of crude oil.

31.) For every six ounces of caffeine or alcohol you consume, an additional 10 to 12 oz. of water is needed to rehydrate you.

32.) We lose over 2 quarts (64oz) of water every day through the normal vapor exchange of our skin, otherwise known as perspiration.

33.) It is a little known fact, but insufficient water consumption is actually a risk factor for colon, breast and urinary tract cancers such as cancers of the kidneys, bladder, prostate, and testicles. Hydration is critical to blood circulation to allow immune system cells to reach damaged tissues in greater numbers.

34.) In 1998 the National Resources Defense Council completed a 4 year test of 103 bottles water and found that 1/3 of them contained bacteria and other chemicals at levels exceeding industry standards.

35.) Did you know that 25% of the bottled water on the market is drawn from municipal taps?

36.) Pure water (solely hydrogen and oxygen atoms) has a neutral pH of 7, which is neither acidic nor basic.

37.) Four liters (1 gallon) of gasoline can contaminate approximately 2.8 million liters (50,000 gallons) of water.

38.) If all new sources of contamination could be eliminated, in 10 years, 98% of all available groundwater would then be free of pollution.

39.) There are 12,000 different toxic chemical compounds in industrial use today, and more than 500 new chemicals are developed each year.

40.) Water dissolves more substances than any other liquid. Wherever it travels, water carries chemicals, minerals, and nutrients with it.

41.) Freshwater animals are disappearing five times faster than land animals.

42.) Each day the sun evaporates a trillion tons of water.

43.) The weight a person loses directly after intense physical activity is weight from water, not fat.

44.) It takes 5,680 (1,500 gallons) of water to process one barrel of beer.

45.) At birth, water accounts for approximately 80% of an infant's body weight.

46.) To process one chicken we need 44 liters (11.6 gallons) of water.

47.) To process one can of fruit or vegetables we need 35 liters (9.3 gallons) of water.

48.) It takes 7,000 liters (1,850 gallons) of water to refine one barrel of crude oil.

49.) To manufacture new cars 148,000 liters (39,000 gallons) of water are used per car.

50.) Baths use less water than a typical shower. Soaking in a partially filled tub will use less water than a short shower.

Article Originally Published by: ESP Water Products

Meters Read on 20th thru 24th

Mail and Email Bills on 25th

Bills are due upon receipt

Past-Due after the 15th of following month

Late Charge ($10.00) added on 16th of following month

Disconnection of Service on 26th of following month

Board of Directors Meeting 2nd Tuesday of Month

Annual Stockholders meeting on a Saturday in April

TWIN CREEK WATER SUPPLY CORPORTATION

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MISSION STATEMENT

To consistently supply high-quality water to the residents and businesses of Southeastern Robertson County by responsibly and safely developing, producing, and delivering this natural resource in an efficient and professional manner while concentrating on conservation, quality, and dependability of service.

Office Hours Monday-Friday 8am-12pm and 1pm-5pm

EMERGENCY AFTER HOURS

Leave A Voice Message (979) 828-5385 or Call

Office Manager Regina Manthei (972) 333-0495