

Lake Bonanza Water Supply Corporation,

First let me wish a happy and prosperous 2015 to all of our membership. Our board has worked hard to make our accomplishments come into being this past fiscal year. Our board works for you to make it the best it can be.

Some of the items that our corporation accomplished in 2014.

One of our first and most important project we did this past year was to complete our storage capacity to state requirements. Our system now is set to provide growing system requirements with our anticipated growth rate. We took on an extremely tough needed task and yes, it comes with a price tag of around \$444,000.00

During the past year we paid off an \$82,000.00 loan which saved us quite a bit of money. This year our board also elected to pay extra principal only for loan # 1, our very first loan starting in 1995. At a 6 year extra principal payment of only \$3,017.00 each month, we will have a completed corporation loan done by 2021 rather than 2030. That is quite a bit of money saved to our membership.

We also took on a big project to increase our Fire Flow Protection Plan. At Lake Bonanza a 1500 foot 6" line with 2 new hydrants on Piper was approved by our board at a cost of \$28,000.00. A new project to purchase 4 more hydrants was approved by our board at a cost of \$17,000.00. 1 hydrant on east end of Beech and 3 in Holly Estates subdivision. This gives LB an upgrade to 5 fire hydrants. And 3 for Holly Estates.

Our board also elected to increase our CCN (consumer convenience of necessity) in area size to get our corporation to a required needed level. This project was and is being worked on by Fontaine and Associates, our engineering firm. Our cost for this project was under \$3,000.00, a very economical price.

We undertook some price lowering changes to our customers needing water services. We are working to finish up our new Tariff procedures. The board also approved communication policy by-laws, a segment very much needed to run our board effectively. Our attorney Mr. Oscar Sommers was very instrumental in helping us with our by-laws presentation.

We experienced a TCEQ violation of too much alpha gamma radiation in our drinking water during the third quarter sampling in 2014. The problem was resolved involving extra sampling. Our new results brought us back well in compliance, and have resulted in doing quarterly sampling as of now. We will continue to keep you updated on this issue.

Our corporation is only as good as our board can work for the betterment of our membership.

Get involved to work on our board for all our membership.

Our annual board meeting will be held at our regular meeting place. KOA on highway 105 April 25, 2015 at 2:30 pm. at 2:30 pm.

Thank you and a good 2015 for the corporation.

Joe Gonzalez-Pres.

Mary Wesolick-Vice Pres.

Karen Gonzalez-Sec/Treas.

Directors:

Lance Molchan Rodney Snell Tracy Michaud