

DIAMONDHEAD WATER SUPPLY CORPORATION FREQUENTLY ASKED QUESTIONS  
*Regency Point Residents*

*The following are answers to frequently asked questions regarding the Diamondhead Water Supply Corporation, of which Regency Point residents are members.*

1. *What does the Diamondhead Water Supply Corporation do?*

The Diamondhead Water Supply Corporation, or DHWSC, provides drinking water to residents of Diamondhead and Regency Point. The corporation also provides sewer service for the same residents.

2. *Who owns the Diamondhead Water Supply Corporation?*

The DHWSC is owned by the residents of Diamondhead and Regency Point. Each residence has an equal share of the corporation, i.e. Regency Point residents have the same rights in the corporation as the Diamondhead residents.

3. *Where does the drinking water come from?*

The drinking water comes from water pumped from the ground, i.e. groundwater. The water does not come from Lake Conroe.

4. *I heard water companies must switch out of groundwater to surface (lake and river) water, which is why the San Jacinto River Authority is building the water plant to take out more Lake Conroe water. Will DHWSC also have to stop pumping groundwater and switch to Lake Conroe?*

No. The DHWSC struck an agreement with the San Jacinto River Authority several years ago to keep the existing groundwater wells. In exchange, the DHWSC agreed to fund some of the conversion of other utility districts from groundwater to surface water.

5. *Is the water treated before we drink it?*

Yes, water pumped from the ground is treated at a small water treatment plant on the east side of Waikiki Lane in Diamondhead. The ground water is pumped into a tank and then treated with chlorine to kill bacteria and a small amount phosphate to keep water pipes from scaling up. The water is stored in a high pressure tank which helps keep the water pressure at a steady 60 pounds per square inch.

6. *Is the water good to drink?*

Yes, the water is of very high quality.

7. *What is the taste I sense when I drink the water?*

Some people can taste the chlorine dissolved in the water, called residual chlorine. It is chlorine that keeps bacteria and other harmful agents from growing in the water.

8. *Is there a chance that the water wells could run dry?*

Since Diamondhead and Regency Point are built out, we do not expect the demand for water from the wells to increase, so we should be in good shape unless we enter a period of extended

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drought. Nevertheless, it costs DHWSC money to run the water pumps and treatment plant, so residents are strongly encouraged to conserve water to keep costs down.

9. *Do Regency Point residents pay more per gallon of water than Diamondhead residents?*

No, by a formal agreement the DHWSC is required to charge the same amount to Regency Point residents as Diamondhead residents.

10. *I was not at my unit this month and had a 0 water reading. Why am I being charged for water and sewer?*

Like any utility, the DHWSC has fixed costs regardless of water usage. A base charge is applied to everyone to cover these costs, and additional charges added based on the amount of water used.

11. *I know I have a water meter – is there a sewer meter? If not, how does DHWSC know how much sewage should be charged?*

There is no sewer meter. It is assumed that the water you used is then discharged into the sewage systems as wastewater. For Regency Point residents, this is generally true as few units have a sprinkler system that sends drinking water onto the ground like you would see at many homes in subdivisions.

12. *What are the LSGWC and TCEQ charges on my bill?*

These charges are for permits to pump water from the ground (LSGWC – Lone Star Groundwater Conservation District) and treat water (TCEQ – Texas Commission on Environmental Quality).

13. *Now that we understand the drinking water situation, please describe what happens to the sewer water.*

At Regency Point, sewer water drains through underground pipes from your residence to a large in-ground tank located between Units 16 and 17 (called a lift station). Pumps in the lift station send the sewer water to a manhole located outside the Regency Point fence where it is combined with sewer water from Diamondhead. The combined sewer water then flows to a lift station located on the southwest corner of Diamondhead Road and Oaks on the Water (near the fountain). This lift station sends the sewer water to Municipal Utility District 4 (MUD 4) who treats the sewer water along with sewer water from April Sound.

14. *Didn't DHWSC have its own sewage treatment plant?*

Yes, up until a few years ago there used to be a small sewage treatment plant just north of the Regency Point swimming pool that treated sewer water from Diamondhead and Regency Point. However, the cost of operating the plant was becoming very high and it was decided that it would be much less expensive in the long run if DHWSC shut down the sewage treatment plant and send the sewer water to MUD 4. A loan was taken out to shut down the plant and make the piping changes. Payback of this loan is shown as \$20 Assessment in your water bill (note – the loan is expected to be paid off in 2017 at which point the charge will come off the bill).

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15. *Why can't we use the space where the sewage treatment plant used to be to park boats?*

The space is owned by the DHWSC and not Regency Point, and they have the final say on how it is used. The plan is to install a small building inside the fence where DHWSC equipment can be stored. This equipment is currently stored outside at the water plant, and it is much better if the equipment is stored inside. The site of the old sewage treatment plant is an ideal spot for putting up the small building.

16. *What happens if we get another Hurricane Ike and lose power?*

The DHWSC recently installed an emergency generator that can be used to keep the water pumps going, so we will have drinking water available. The generator has a propane tank which should allow the generator to run for several days, by which time propane deliveries should be able to be made. To keep the sewers going, the DHWSC has a contract for a company to manually pump out the lift stations and bring the sewer water to MUD 4 until power is restored to run the pumps.

17. *Will the DHWSC be shut down when Conroe annexes Regency Point on January 1, 2015?*

No, the City of Conroe agreed in February 2013 to allow MUD 4 (and therefore the DHWSC) to remain as is. We will continue to pay water and sewer bills to DHWSC and not to the City of Conroe.

18. *Who runs the DHWSC?*

The DHWSC is run by a seven-member board elected from residents of Diamondhead and Regency Point.

19. *Why is no one from Regency Point on the board?*

First, there is no restriction on the number of members Regency Point or Diamondhead residents that can be on the board – there is nothing stopping the board from being all Regency Point residents for instance. That said, the board is constituted each year by general election, and Regency Point residents have often not run for the board. There was a Regency Point candidate this year, but he did not receive enough votes. Historically, Regency Point residents rarely send in their ballots (which come out in the February bills) nor attend the annual meeting.

20. *Does the DHWSC do the day-to-day operation of the water and sewer equipment?*

No, the DHWSC hires Hays Utility North ([www.hayswater.com](http://www.hayswater.com)) to run the equipment. You may see them from time-to-time in Regency Point when they do inspections and maintenance.

21. *Can I attend the monthly meetings of DHWSC?*

Yes, anyone can attend. They are held on the 2<sup>nd</sup> Wednesday of each month at 7 pm, at the Diamondhead Clubhouse.

22. *Who do I contact if I have questions?*

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The simplest approach is to contact Jennifer Stanley at Stanley & Payne Property Executives ([jennifer@sppellc.om](mailto:jennifer@sppellc.om) or 936-521-6900), who is the property manager for Regency Point. Depending on the issue, she can help you decide who to contact.