

**WHITE WATER SPRINGS
WATER SUPPLY CORPORATION**

**MINUTES OF A MEETING OF
THE BOARD OF DIRECTORS**

April 9, 2014

The Board of Directors of the Whitewater Springs Water Supply Corporation (the "Corporation" or "WSWSC") met in a regular session, open to the public, outside the service area of the Corporation, at the Joanne Cole Mitte Memorial Library, Bertram, Texas 78605-0243 on April 9, 2014 at 1:30 p.m. A copy of the meeting along with associated certificates of posting is attached as "Exhibit A."

The Corporation's Legal Counsel called roll of the members of the Board of Directors:

Director Frank Caramanica - absent
Director Bill Hiers
Director Jack Merkel
Director Oscar Saint
Director Bill Bussell - absent

Directors Hiers, Saint, and Merkel were present, thus constituting a quorum of the Board of Directors. All directors present voted on all matters that came before the Board. Also in attendance at the meeting were Randy Wilburn, Tim Young with PGMS, Richard Curtis, J.W. Thorp, Eldon McGill, Gil Silva, Leonard Urbanovsky, and Terri Locke. President Hiers called the meeting to order at 1:32 p.m.

Regular Agenda

Item No. 1

Item No. 1 – Pledge of Allegiance. President Hiers led the group in the Pledge of Allegiance.

Item No. 2

Item No. 2 was to call roll of members and the regular meeting to order. Directors Bill Hiers, Oscar Saint, and Jack Merkel were present, thus constituting a quorum of the Board of Directors.

Item No. 3

Item No. 3 was to discuss, consider, and take action as necessary regarding the appointment and oath of office for new Directors. President Hiers reported that Bill Bussell resigned from the WSWSC Board and made a motion that Richard Curtis assume Bill Bussell's position on the Board. Director Merkel seconded the motion, and it **PASSED** unanimously.

Item No. 4

Item No. 4 was to review and approve minutes from the January 9, 2014 Board meeting. Not all Board members had copies of the minutes, so the Board decided to delay consideration of the minutes until the July 2014 Board meeting. **NO ACTION** was taken on this item.

Item No. 5

Item No. 5 was to review and approve minutes from the February 13, 2014 Annual Meeting. Not all Board members had copies of the minutes so the Board decided to delay approval of the minutes until the July 2014 Board meeting. **NO ACTION** was taken on this item.

Member Communication**Item No. 6**

Item No. 6 was to receive member communication not on the Agenda. No members made a presentation to the Board. The Board took **NO ACTION** on this item.

Old Business**Item No. 7**

Item No. 7 was to discuss, consider, and take action as necessary regarding operational issues of the system, including operations report from PGMS, and any PGMS billing and membership issues. Tim Young from PGMS gave a quarterly report regarding operations of the water system (leaks, usage, payments, adjustments, etc.). Mr. Young reported PGMS is still looking for the source of a leak in the system that is at approximately 30%. Mr. Young provided a proposal from Samco, a leak detection service, to help develop a leak detection strategy. After a brief discussion, Director Saint made a motion to accept Samco's proposal. Jack Merkel seconded the motion, and it **PASSED** unanimously.

There was also a lengthy discussion concerning issues that arose when a valve stack line was damaged by road construction. Many residents experienced issues with water pressure and discolored water. Tim Young explained that the valve damage was repaired but PGMS was working on getting the air out of the lines which should correct the problems. Mr. Silva and Mr. Urbanovsky suggested a better notification system be set up for future issues.

Mr. Young reported the erroneous billing by PGMS would be adjusted.

Item No. 8

Item No. 8 was to discuss, consider, and take action as necessary regarding a contract to clean and repair Corporation facilities, including the Pressure Tank and Ground Storage Tank. Tim Young has received 3 quotes and will review the quotes and present them to the board at the next Board meeting. The Board took **NO ACTION** on this item.

Item No. 9

Item No. 9 was to discuss, consider, and take action as necessary regarding subcommittee assignments, including subcommittees for future water wells, landscaping maintenance, and Corporate finances. Jack Merkel presented information on a 3 phase plan for future water wells. Director Saint noted that Allan Palmer is heading up landscape maintenance and President Hiers asked Director Curtis to review the Corporation's finances and rates, including the loan documents. President Hiers also delegated duties of new officers. Director Saint will handle physical and operational issues, and Director Curtis will assist with treasury and finance issues. The Board took **NO ACTION** on this item.

New Business

Item No. 10

Item No. 10 was to discuss, consider, and take action as necessary regarding the payment of bills. Bills were presented for February, March, and April, and after a brief discussion, President Hiers made a motion to pay bills as presented, with the exception of the IRS billing error. Director Merkel seconded the motion, and it **PASSED** unanimously.

At 2:35 p.m., President Hiers recessed regular session to convene the Board in Executive Session.

At 3:55 p.m., President Hiers reconvened the Board in regular, open session, announcing that no decisions were made and no votes taken during Executive Session.


Item No. 11

Item No. 11 was to discuss, consider, and take action as necessary regarding an agreement with Montvale Properties. The Board directed Counsel Wilburn to continue discussions with representatives of Montvale Properties. Action on this item was **POSTPONED** until a future meeting.

Item No. 12

Item No. 12 was adjournment. Director Merkel made a motion for the Board to adjourn its meeting. Director Saint seconded the motion, and it **PASSED** 4-0.

PASSED, APPROVED, AND ADOPTED this 13th day of August 2014.



Frank Caramanica, Secretary-Treasurer

(CORPORATION SEAL)