Whitewater Springs Water Supply Corporation

Minutes of the Meeting of the Board of Directors
July 14, 2016

The Board of Directors of the Whitewater Springs Water Supply Corporation (the "Corporation" or "WSWSC") met at the Corporation's Meeting, open to the public, outside the service area of the Corporation, at the Joanne Cole Mitte Memorial Library, Bertram, Texas 78605-0243 on July 14, 2016 at 7:00 p.m. A copy of the meeting agenda 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
Director Richard Curtis
Director Bill Hiers
Director Eric Clegg
Director Oscar Saint

Directors Caramanica, Curtis, Hiers, Clegg, and Saint were present, thus constituting a quorum of the Board of Directors. All directors voted on all matters that came before the Board. President Hiers called the meeting to order at 7:00 p.m.

Regular Agenda

Item No. 1

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

Item No. 2

Item No. 2 was to call roll of members and the Board Meeting to order. Directors Bill Hiers, Frank Caramanica, Oscar Saint, Eric Clegg, and Richard Curtis were present, thus constituting a quorum of the Board of Directors.

Item No. 3

Item No. 3 was to review and approve minutes from the February 11, 2016 Board Meeting. Director Caramanica made a motion to approve the minutes as presented. Director Clegg seconded the motion, and it **PASSED** unanimously.

Member Communication

Item No. 4

Item No. 4 was to receive member communication on items not on the agenda. Carol Ann Young read an email from the Bertram Fire Chief Bobby Huffstuttler giving current needs for acquiring water for apparatus in case of a fire. The Board took **NO ACTION** on this item.

Old Business

Item No. 5

Item No. 5 was to discuss, consider, and take action as necessary regarding operational issues of the system including the following:

a. The Board received the Operations Report from PGMS but Tim Young was not available due to an emergency. Director Clegg made a motion to add conduit for an aquifer probe to Well No. 2 during any future maintenance to the well pump. Director Caramanica seconded the motion, and it **PASSED** unanimously.

Item No. 6

Item No. 6 was to discuss, consider, and take action as necessary regarding subcommittee reports on the following subjects:

a. President Hiers discussed future water wells, including installation and funding issues. The Board is conferring with Don Rauschuber concerning the proposal of future water wells. Terms are being negotiated with Montvale concerning drilling of a well on Lot 605 near the test well, funding, and other legal issues.
b. Director Curtis requested that Counsel Wilburn check to see how often audits need to occur.
c. Director Saint reported that the Corporation repaired Well #1's frequency controlled pump, and it is running properly. Wells #2 & #3 are okay.
d. Director Saint reported the Aquifer Status was back to where it was when first monitored. He recommended going back to Stage II Water Usage.
e. SAMCO detected and PGMS repaired seven leaks; however, we are still experiencing high water loss.

New Business

Item No. 7

Item No. 7 was to discuss, consider, and take action as necessary regarding a Rainwater Collection System Update from LaDale Young. The Board took **NO ACTION** on this report.

Item No. 8

Item No. 8 was to discuss, consider, and take action as necessary regarding appointment of the Credentials Committee for the 2017 Board Election. Director Saint made a motion to appoint Eric Clegg, Frank Caramanica, and Carol Ann Young to the Credentials Committed. Director Curtis seconded the motion, and it **PASSED** unanimously.

Item No. 9

Item No. 9 was to discuss, consider, and take action regarding the payment of bills. Corporate Finance Director Curtis requested that the Board of Directors affirm the payment of the bills since the last Board of Directors' meeting. Director Caramanica made a motion to affirm the payment of the bills to date. Director Clegg seconded the motion, and it **PASSED** unanimously.

Item No. 10

Item No. 10 was to discuss, consider, and take action as necessary regarding changing provisions in the Corporation's Tariff. The Board discussed needed changes, including changes to Item No. 6 on page 60 regarding elimination of the Corporation providing pressure reducing valves). The Board also discussed changes to the Rate Schedule on pages 106-107, including changing the "Transfer Fee" from $500.00 to $100.00 and adding "Membership Fee" of $500.00 (refundable). Director Clegg made a motion to revise the Corporation's Tariff as proposed. Director Caramanica seconded the motion, and it **PASSED** unanimously.

Item No. 11

Item No. 11 was to discuss, consider, and take action as necessary regarding changing the Drought Contingency Plan from Stage III back to Stage II. Director Caramanica moved and Director Curtis seconded going back to Stage II and that Monitoring Usage and Aquifer Status be continued. The motion **PASSED** unanimously.

At 8:42 p.m., the Board went into Executive Session to receive legal advice from counsel under Texas Government Code Sec. 551.071 to receive legal advice from the Corporation's legal counsel regarding legal issues with the operations contract, corporation property, billing and membership issues, and the existing Montvale Agreement.

At 9:35, President Hiers reconvened the meeting in open session, announcing that the Board made no decisions and took no action on any items in Executive Session.

Item No. 12

Item No. 12 was to discuss, consider, and take action as necessary regarding items discussed at the Executive Session. The Board took **NO ACTION** on this item.

Item No. 13

Item No. 13 was adjournment. Frank Caramanica made a motion to adjourn the meeting. Bill Hiers seconded the motion, and it **PASSED** unanimously.

PASSED, APPROVED AND ADOPTED this 22nd day of November 2016.

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Eric Clegg, Secretary

{CORPORATION SEAL}