

**MINUTES OF THE JONESTOWN WATER SUPPLY CORPORATION BOARD OF
DIRECTORS MEETING, HELD TUESDAY, FEBRUARY 8, 2022, 7:00 P.M., AT 10700
CRESTVIEW DRIVE, JONESTOWN, TX 78645**

Board Members: President Amy Fitzgerald, Vice President Bruce Covill, Secretary/Treasurer Keith Stewart, Directors Don Swayne, Tim Hawkins, John Riddle, Dave Stewart, Dani Harris, Brian Caller
--

1. Call to order.

President Fitzgerald called the meeting to order at 7:07 p.m.

Board members present: President Amy Fitzgerald, Secretary Keith Stewart, Directors Dani Harris, Tim Hawkins, Don Swayne, John Riddle. Attending via teleconference: Vice President Bruce Covill.

Board members absent: Dave Stewart, Brian Caller.

Staff present: John Tichi.

1a. Set Date of Next Regular Meeting – March 8, 2022

President Fitzgerald announced the next meeting will be held March 8th at 7:00 p.m.

2. Members and/or Public Comment.

No members were present.

3. Approve Minutes

a) Regular Meeting minutes of January 18, 2022.

Director Riddle requested an amendment to Item 1 to “Vice President Covill” instead of “Director” Covill. Director Harris moved to approve the minutes as amended. Director Hawkins seconded the motion. The motion passed unanimously.

4. Financial Matters.

a) Secretary Treasurer’s Report.

Secretary Keith Stewart indicated January’s income of \$31,000 was comparable to last January’s. Year-to-date the corporation is about \$38,000 behind budget, as no capital recovery fees have been collected yet. Directors discussed the number of new taps and equity buy-ins and reviewed the income statement. Amendments to capitalize some past purchases were also discussed, as well as procedures for proper recording of capital versus other expenditures.

b) Approve Bills, Invoices and Other Payables.

Directors reviewed bills and Manager Tichi answered questions about expenses for boring. Secretary Keith Stewart moved to approve the bills, seconded by Director Harris. The motion passed unanimously.

c) Discuss/Approve Budget Amendment(s).

1. Discuss/approve Budget Amendment for Christmas Bonuses in December, 2021.

This item was postponed from the January agenda, with Manager Tichi explaining the budget amendment for \$16,999.50 can be accounted for by either an increase in budgeted water sales or a decrease in reserve funding. There was extended discussion on the amendment and timing of budget amendments in general; Manager Tichi will discuss with the auditors. This item will be tabled until the questions raised are answered.

5. President's Report Concerning Corporate Affairs.

President Fitzgerald gave no report.

6. General Manager's Report

Manager Tichi reported installation is progressing on the raw water line. The developer would like to get a final cleanup on the Destination Way side of the project, so efforts will be shifted to get that area to final grade next week. There were no major issues due to the freeze. Field Lead Mike Crate is retiring next week. The Large Project Committee still needs to meet with the property owners. Tichi answered questions about the water intake, and there was discussion of the distribution chart included in the packet and mandatory water use restrictions expected this year. The engineer's report indicates the design plans will be completed by the end of March, with TCEQ review and procurement of funds occurring in the following 90 days. Manager Tichi answered directors' questions regarding water loss percentages.

7. Committee Reports

a) By-Laws & Policies Committee

Director Covill had no report. A copy of the final recommended version of the By-Laws were provided to the Board; some clerical errors are being reviewed and corrected by staff. The final corrected version should be available by Thursday of this week. The committee will meet to review the final version.

b) Large Project Committee

Director Hawkins had no additional information beyond what was discussed in the General Manager's report. Manager Tichi noted this committee should now be referred to as the "Construction Committee."

c) Credentials Committee

Manager Tichi recommended asking Mayor Johnson to serve as the independent election auditor should one be needed. This would be voted on at the next meeting if necessary.

d) Personnel Manual Committee

Director Harris had no report. She has received a copy of the manual and is waiting for additional documents.

8. Old Business.

None.

9. New Business

a) Discuss/Approve Joint Use Agreement with Meritum Systems, LLC.

Manager Tichi explained that Meritum Systems is the entity providing propane to the development (The Hollows) and this agreement would allow them to use the Water Corporation's new water treatment plant driveway to access their propane site located next to the Corporation's property. Meritum would construct the driveway. After discussion, Secretary Keith Stewart moved to approve the agreement subject to 5b being corrected to "whereas the grantor is only responsible for the improvements of the grantor and the grantee is responsible for the improvements by the grantee." Director Riddle seconded the motion. After additional discussion, Manager Tichi recommended amending section 4a to read "Grantee Road Improvements shall consist of compacted base material with asphalt and ribbon

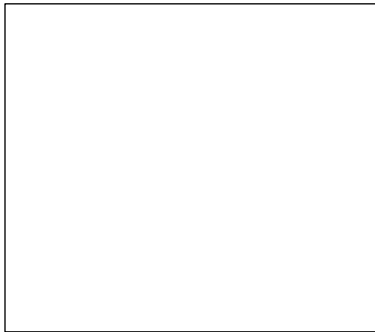
curb or concrete wear surface access driveway in accordance with all regulatory requirements,” and subject to a final review by the Water Corporation’s engineer and attorney. The motion as amended by Secretary Keith Stewart was to approve the document subject to the changes in Section 4a that would require concrete or asphalt surface on top of the compacted road base and to correct Section 5b to require that the grantor be responsible for only their road that they install and the grantee is responsible for the road that they install, all subject to the (Water Corporation’s) engineer and attorney approval. Director Riddle seconded the amended motion. The motion passed with six yes votes and one no vote from President Fitzgerald.

10. Adjournment.

Secretary Keith Stewart moved to adjourn, seconded by Director Hawkins. The motion passed unanimously. President Fitzgerald adjourned the meeting at 9:27 p.m.

Minutes recorded in type by Rachel Austin.

PASSED AND APPROVED AT THE REGULAR MEETING HELD ON MARCH 7, 2022.



Amy Fitzgerald, President

ATTEST:

Keith Stewart, Secretary