

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

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

President Keith Stewart called the meeting to order at 7:00 p.m.

a) Roll Call

Board members present: President Keith Stewart, Vice President Bruce Covill, Secretary/Treasurer Brian Caller, Directors John Riddle, Tim Hawkins, Dani Harris; Dave Stewart arrived at 7:02 p.m.; Amy Fitzgerald arrived at 7:05 p.m.

Board members absent: Director Don Swayne.

Staff present: John Tichi.

b) Set Date of Next Regular Meeting – December 13, 2022.

President Stewart stated the next regular meeting will be December 13, 2022.

2. Public Comment.

There were no public comments.

3. Approve Minutes.

a) Regular Meeting minutes of October 11, 2022.

Vice President Covill moved to approve the minutes, seconded by Secretary/Treasurer Caller. The motion passed with six affirmative votes and two abstentions from Directors Harris and Fitzgerald.

4. Financial Matters.

a) Secretary-Treasurer's Report.

Secretary/Treasurer Caller noted income year-to-date at about \$33,000 above budget and cost of goods sold about \$28,000 above budget, similar to last month's year-to-date. Expenses are about \$50,000 over budget and net income to date about \$22,000 under budget. Directors briefly discussed tap and meter fees and labor capitalization. Caller noted no significant changes to report in the balance sheet and briefly reviewed the cash flow statement.

b) Approve Bills, Invoices and Other Payables.

Director Hawkins moved to approve the bills, seconded by Director Fitzgerald. The motion passed unanimously.

b) Discuss/Approve Budget Amendment(s).

There were no amendments for discussion.

5. President's Report Concerning Corporate Affairs.

President Keith Stewart mentioned there will be discussion of the CoBank loan later in the agenda.

6. Staff Report Concerning Operations and Management.

a) General Manager.

Manager Tichi reported good progress, with a complete draft of the total bid package, which should be finalized tomorrow and will then be sent to the (construction) committee. Drawings are almost complete. Another truck should be received any day.

7. Committee Reports.

a) Construction Committee.

No report was given.

b) Credentials Committee.

No report was given.

c) Personnel Manual Committee.

No report was given.

8. Old Business.

None.

9. New Business.

a) Discuss CoBank Loan for New Capacity Project.

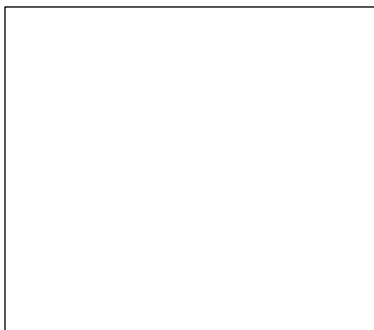
President Keith Stewart reported he and Secretary/Treasurer Caller met with CoBank, and a loan of up to six million dollars is approved for the project if needed. He reported the current rate on a 20-year fixed rate loan is 6.6%; that rate could be locked in for the entire amount or for a lesser amount with subsequent amounts borrowed as needed at then-current rates. The bank offered other options which were discussed. President Stewart recommended using the corporation's equity funds and borrowing as little as possible. Manager Tichi has been working with contractors to get their best budgeting estimates for sections of the project that will be contracted out, as structural concrete, site grading and tankage, and those should be available by the end of the month. The goal is to have the estimates along with the order of construction provided to directors by January to use in determining the loan amount needed.

10. Adjournment.

Director Riddle moved to adjourn, seconded by Director Harris. The motion passed unanimously. President Keith Stewart adjourned the meeting at 7:50 p.m.

Minutes recorded in type by Rachel Austin.

PASSED AND APPROVED AT THE REGULAR MEETING HELD ON DECEMBER 13, 2022.



Keith Stewart, President

ATTEST:

Brian Caller, Secretary