

**MINUTES OF THE JONESTOWN WATER SUPPLY CORPORATION BOARD OF
DIRECTORS MEETING, HELD TUESDAY, MAY 9, 2023, 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, Lee Morris
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1. Call to order.

President Keith Stewart called the meeting to order at 7:02 p.m.

a) Roll Call

Board members present: President Keith Stewart, Vice President Bruce Covill, Secretary/Treasurer Brian Caller, Directors John Riddle, Dave Stewart, Lee Morris, Dani Harris, and Amy Fitzgerald. Director Tim Hawkins entered the meeting at 7:10 p.m.

Board members absent: None.

Staff present: John Tichi.

b) Set Date of Next Regular Meeting – June 13, 2023.

President Keith Stewart noted the regular meeting will be June 13th.

2. Public Comment.

There were no public comments.

3. Approve Minutes.

a) Regular Meeting minutes of April 11, 2023.

b) Special Meeting minutes of April 17, 2023.

Director Fitzgerald moved to approve the minutes of April 11th and April 17th. Secretary Caller seconded the motion. The motion passed with seven yes votes. (Director Dave Stewart stepped out of the room and was not present for the vote; Director Hawkins had not yet entered the meeting.)

4. Financial Matters.

a) Secretary's Treasurer Report.

Secretary Caller reviewed year-to-date budget, sales, and profit, noting income remains below budget. Directors discussed the slowdown of housing starts affecting sales and equity buy-in. (Note that Director Hawkins entered the meeting at this time.)

b) Approve Bills, Invoices and Other Payables.

Director Harris moved to pay the bills, seconded by Director Dave Stewart. The motion passed unanimously.

5. President's Report Concerning Corporate Affairs.

President Keith Stewart yielded his time for discussion of the loan in the "New Business" item.

6. Staff Report Concerning Operations and Management.

a) General Manager.

Manager Tichi reported a response was received (from TCEQ) on the exception request letter, offering conditional approval based on a pilot to occur within 18 months of operation. A

meeting has been scheduled with the reviewer to discuss the response. The LCRA non-point permit will be submitted by the end of this week and the request for proposals for dirt work will go out tomorrow. Work has begun on the foundation for the construction office; the restroom will be connected to the city's wastewater system. The Corporation will negotiate with the City of Lago Vista for service and an interconnect for the property.

7. Committee Reports.

- a) Construction Committee.**
- b) Credentials Committee.**
- c) Personnel Manual Committee.**

There were no committee reports given.

8. Old Business.

None.

9. New Business.

a) Discussion and Possible Action Regarding Obtaining a Loan from CoBank, ACB for financing Jonestown Water Supply Corporation water system infrastructure improvements (the "CoBank Loan"):

- 1. Ratify, Approve and Authorize execution of the following CoBank Loan documents by the General Manager and the officers of the Corporation:**
 - a. Instruction Letter dated November 28, 2022;**
 - b. Multiple Advance Term Promissory Note No. 00129411T03 dated as of November 28, 2022, in the original principal amount of \$6,000,000.00;**
 - c. Resolution of the Board of Directors dated April 13, 2020, authorizing the Loan Documents;**
 - d. Incumbency Certificate dated June 14, 2022; and**
 - e. Security Agreement dated as of March 11, 2020.**
- 2. Approve and authorize execution of the Letter of Representations to Mclean & Howard, LLP, making certain representations regarding the authority of, and actions taken by, Jonestown Water Supply Corporation with respect to the CoBank Loan and authorizing such firm to rely upon the representations set forth therein for purposes of rendering a legal opinion to CoBank ACB.**
- 3. Authorize the General Manager, President and Secretary to take all actions necessary, appropriate, or convenient in connection with the CoBank Loan, including, without limitation, executing appropriate documents in connection therewith.**

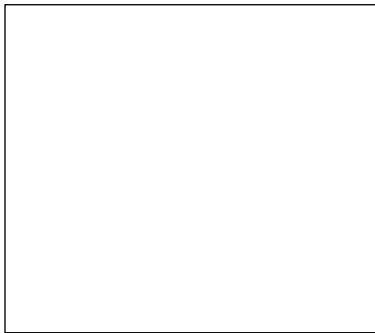
Directors discussed the loan process, interest rates, and loan draws. Director Dave Stewart moved to approve obtaining a loan from CoBank, ACB for financing Jonestown Water Supply Corporation water system infrastructure improvements, known as the "CoBank Loan", including approval of Items 1, 2, and 3 under 9.a) as listed on the agenda. Vice President Covill seconded the motion. The motion passed unanimously.

10. Adjournment.

Secretary Caller moved to adjourn, seconded by Director Harris. The motion passed unanimously. President Keith Stewart adjourned the meeting at 7:39 p.m.

Minutes recorded in type by Rachel Austin.

PASSED AND APPROVED AT THE REGULAR MEETING HELD ON JUNE 11, 2023.



Keith Stewart, President

ATTEST:

Brian Caller, Secretary