

JONESTOWN WATER SUPPLY CORPORATION  
BOARD OF DIRECTORS MEETING  
AUGUST 14, 2018

1. President Billy Carter called the meeting to order at 6:59pm.

Board members present: Billy Carter, Mike Hilsabeck, Jim Roberts, Liane Popham, Bruce Covill, Amy Fitzgerald, and Gregg Newcombe.

Board members absent: Nadia Wills and Mark Rogalski.

Staff present: John Tichi and Karissa Kornegay

Members present: None

Others present: Paul Shepherd and Cass Brewer of the Hollows on Lake Travis, LLC.

1. A Set Date of Next Regular Meeting – September 11, 2018.

2. Members and/or Public Comment: None

At this time, President Carter asked the Board to go to item 8.b) on the agenda to accommodate the representatives from The Hollows on Lake Travis, LLC.

8. *New Business*

*b) Discuss/Approve non-standard service agreement with the Legacy Hollows for water service to property on Destination Way.*

President Carter announced that there had been a meeting that day with the City of Jonestown regarding the proposed development, at which John Tichi had been present. In brief, the JWSC will be getting a physical lot, with a zoning change to accommodate JWSC facilities needed to serve the development, along with an easement for a raw water intake barge to be located in Devils Hollow, and to provide for a raw water transmission line. John Tichi stated that once the agreement between JWSC and The Hollows on Lake Travis, LLC has been reviewed and approved by the JWSC's attorney, the agreement can be signed, and the project will go forward.

Gregg Newcombe expressed concerns that the property owners of the Hollows were not aware that a barge was in the plans. President Billy Carter indicated that they had been contacted and invited to discuss the plans but that they had refused the invitation.

A resolution to proceed with plans to provide water to The Hollows on Lake Travis, LLC was presented and read to the Board for approval and a motion was made to approve the resolution as read.

Motion made by Liane Popham.  
Seconded by Jiim Roberts.

The motion passed 6 to 1, with Gregg Newcombe voting against.

3. Approve Minutes
  - a) Regular Meeting minutes of July 3, 2018.  
A motion was made to approve the regular meeting minutes of July 3, 2018.  
Motion made by Gregg Newcombe.  
Seconded by Amy Fitzgerald.  
The motion passed unopposed.

4. Financial Matters.
  - a) Secretary's Treasurer Report.  
None.

- b) Approve Bills, Invoices and Other Payables.  
A motion was made to approve the Payables.  
Motion made by Amy Fitzgerald.  
Seconded by Mike Hilsabeck.  
The motion passed unopposed.

- c) Discuss/Approve Budget Amendment(s).  
None.

- d) Discuss/Approve 2017-2018 Amended Budget.  
A motion was made to approve the 2017-2018 Amended Budget.  
Motion made by Amy Fitzgerald.  
Seconded by Liane Popham.  
The motion passed unopposed.

- e) Discuss/Approve Resolution to close Capital One Operating account.

A resolution was presented and read to the Board authorizing the closing of the JWSC's Capital One Operating account and a motion was made to approve the resolution.

Motion made by Gregg Newcombe.  
Seconded by Jim Roberts.  
The motion passed unopposed.

- f) Discuss Employee Use of credit cards (Liane Popham).

Liane Popham expressed concerns regarding the employees' use of the company credit cards, namely the fact that all of the purchase receipts are not being turned in. She cited a recent case where an Office Manager was accused of misappropriating \$65,000 and was unable to produce receipts. In light of the fact that the JWSC has engaged a new auditor, Liane requested that this be taken more seriously. She also noted that there were several charges to the LCRA for water testing for which receipts have not been produced and for which JWSC did not receive testing results. General Manager John Tichi stated that he would produce those receipts by the next board meeting and would make sure that "every receipt" would be turned in from this point forward. Amy Fitzgerald suggested that the JWSC create a policy for turning in receipts that would include a time frame and dollar limit.

5. President's Report Concerning Corporate Affairs.  
President Billy Carter announced to the Board that Smitty will be retiring in 2019. He said that we would need to hire at least a "B" licensed operator to replace him. John Tichi agreed.

6. Staff Report Concerning Operations and Management.
  - a) General Manager.  
General Manager John Tichi announced that the office staff have been reassigned duties.
7. Old Business.
  - a) None.
8. New Business
  - a) Discuss/Approve a Proposal to enter into an agreement with the Travis County ESD1 and the City of Jonestown to install fire hydrants in Jonestown.

Jim Roberts refreshed the Board regarding a discussion from the July meeting regarding installing fire hydrants in Jonestown. He stated that the ESD1 had approved funds of up to \$10,000 for fire hydrants and were hoping to have the City of Jonestown match those funds. He stated that the item would be on the next city agenda. General Manager John Tichi recommended that the Board approve the JWSC providing labor for installation and stated, “to the extent that the ESD1 and the City of Jonestown are willing to furnish materials, we are willing to furnish labor.”

A motion was made to approve a proposal to enter into an agreement with the Travis County ESD1 and the City of Jonestown to install fire hydrants in Jonestown.

Motion made by Jim Roberts.

Seconded by Liane Popham.

The motion passed unopposed.

b) Discuss/Approve non-standard service agreement with the Legacy Hollows for water service to property on Destination Way.

This item was discussed and approved under item 2 of this document.

c) Discuss/Approve Directors and Professionals communication policy.

President Billy Carter expressed frustration over a \$600 invoice that JWSC received from JWSC’s Engineer regarding an email conversation initiated by Director Bruce Covill. He presented and read a resolution to establish a Communication policy to restrict Directors from contacting billable professionals except under certain conditions. A motion was made to approve the resolution as read.

Motion made by Billy Carter.

Seconded by Mike Hilsabeck.

The motion passed 5 to 2 with Liane Popham and Bruce Covill voting against.

9. Adjournment.

A motion was made to adjourn.

Motion made by Mike Hilsabeck.

Seconded by Jim Roberts.

The motion passed unopposed and the meeting was adjourned at 8:54pm.

Minutes taken by Karissa Kornegay

\*Persons wishing to speak during Public Comment must sign up to speak before item 2 is addressed. Presentations will be limited to 5 minutes. If special accommodations are required for physical disabilities, please notify the Corporation in advance. The Board of Directors may go into Executive Session, if necessary, pursuant to the applicable section of Subchapter D, chapter 551, Texas Government Code, of the Texas Open Meetings Act, on any of the above matters. No final action, decision, or vote will be taken on any subject or matter in Executive Session.