

JONESTOWN WATER SUPPLY CORPORATION
BOARD OF DIRECTORS MEETING MINUTES *AMENDED*
AUGUST 13, 2019

1. Vice President Gregg Newcombe called the meeting to order at 7:00 pm.

Board members present: Jim Roberts, Bruce Covill, Gregg Newcombe, Nadia Wills, Ron Sherrill, John Riddle, and Amy Fitzgerald.

Board members absent: Liane Popham

Staff present: John Tichi and Karissa Kornegay

Members present: Gary Priem, Donna Jo Priem, Billy Carter, Melissa Fletcher, Paul Diedrich, Gregg Billings, Ed Mouser and Don Swayne.

Others present: None

1. A Set Date of Next Regular Meeting – September 10, 2019.

2. Members and /or Public Comment:
None.

8. *New Business*
 - a) *Discuss/Approve Resolution Approving the Execution of the Irrigation Water Supply Agreement Between JWSC and Donna Jo Priem.*

At this time, Vice President Newcombe stated that the Board would hear from Billy Carter regarding Item 8. a) under New Business: *Discuss/Approve Resolution Approving the Execution of the Irrigation Water Supply Agreement between JWSC and Donna Jo Priem.*

Billy Carter gave a brief history of the relationship between his family and the JWSC with regards to past irrigation contracts. He explained that the contract would now be between himself, his sister, Donna Jo Priem, and the JWSC, since he had resigned from the board on August 9, 2019 and there would no longer be a conflict of interest. He added that the reason for the increase in the contract amount was to compensate himself and his sister for the loss of income on the irrigated property, since the area currently being irrigated could be used as a portion of their RV park, but because of the irrigation contract, it cannot be used for RV's. They calculated their potential loss at \$8,000/month, so that is what they were asking for from the JWSC and the contract would be for 5 years.

After hearing the presentation by Billy Carter, Vice President Newcombe asked the Board and those present if they had any questions for Mr. Carter. Several people posed questions, one of which came from Vice President Newcombe who wanted to know if the terms of the contract would still be the same if the Board tabled the item, allowing time for the directors to read the contract and consider possible options. Mr. Carter indicated that it needed to be passed at this meeting, or else the price would increase to \$10,000/month. At that time, Vice President Newcombe announced that the Board would proceed with the other agenda items, after which the Board would enter into closed session to discuss the proposed irrigation contract. *(Gregg Newcombe added) Billy informed the Board that he and Donna Jo had also offered the Board a month-to-month contract for \$37.5k/month.*

3. Approve Minutes
 - a) Regular Meeting minutes of July 9, 2019.
A motion was made to approve the Regular Meeting minutes of July 9, 2019
Motion made by Jim Roberts.
Seconded by Bruce Covill.
The motion passed unopposed.
4. Financial Matters.
 - a) Secretary's Treasurer Report.
No report.
 - b) Approve Bills, Invoices and Other Payables.
A motion was made to approve Bills, Invoices and Other Payables.
Motion made by Amy Fitzgerald.
Seconded by Ron Sherrill.
The motion passed unopposed, with one abstained (Bruce Covill).
 - c) Discuss/Approve Budget Amendments.
None
5. President's Report Concerning Corporate Affairs.
None.
6. Staff Report Concerning Operations and Management.
 - a) General Manager.
General Manager John Tichi reported that re-chlorination had turned out to be less ~~cost~~ effective than previously planned. He indicated that they would be simulating various processes to try to get the numbers down. He added that one more deficiency in our Drought Contingency Plan had moved our contract with LCRA to October, which in turn would push the true-up out to January 2020. Regarding the Raw Water Line Project, he indicated that the project was going smoothly and that they were approximately 40% complete.
7. Old Business.
None.
8. New Business
 - a) Discuss/Approve Resolution Approving the Execution of the Irrigation Water Supply Agreement Between JWSC and Donna Jo Priem.
Discussion of this item began between items 2. and 3. of this present agenda and will be continued in closed session later on in the meeting.
 - b) Discuss/Approve Resolution determining authorized signers on bank accounts.
After a brief explanation of the present situation of our bank accounts, i.e. a pending move from Capital One to Business Bank of Texas, a motion was made, and a resolution approved determining authorized signers on the new bank accounts.
A motion was made to approve John Tichi, Gregg Newcombe and Liane Popham as authorized signers on the new bank accounts with Business Bank of Texas.
Motion made by Ron Sherrill.
Seconded by Amy Fitzgerald.
The motion passed unopposed and the resolution was signed by Vice President Newcombe (attached hereto).

c) Discuss/Approve Resolution to Adopt Drought Contingency Plan

The Board was briefed on the few changes to the new Drought Contingency Plan by General Manager John Tichi. After pointing out a few corrections that needed to be made, a motion was made to approve a resolution to adopt the updated Drought Contingency Plan with amendments to the appendices as discussed by John Tichi.

Motion made by Ron Sherrill.

Seconded by Nadia Wills.

The motion passed unopposed and the resolution was signed by Vice President Gregg Newcombe.

8. *New Business*

a) *Discuss/Approve Resolution Approving the Execution of the Irrigation Water Supply Agreement Between JWSC and Donna Jo Priem.*

At this time, Vice President Newcombe called the Board into executive session pursuant to Subchapter D, Chapter 551.072 of the Texas Government Code – Deliberation Regarding Real Property – Lease, to discuss item 8.a) Discuss/Approve Resolution Approving the Execution of the Irrigation Water Supply Agreement Between JWSC and Donna Jo Priem. The Board entered into executive session at 8:10pm and ended the closed session at 9:38pm. The minutes of the closed session were kept by Ron Sherrill.

At this time, a motion was made to table the decision regarding the irrigation water supply agreement between JWSC and Donna Jo Priem and Billy Carter. Additionally, a committee of John Tichi, Bruce Covill and John Riddle will research alternative options (short & long term) to be presented to the JWSC Board within 2 weeks.

Motion made by Gregg Newcombe.

Seconded by Ron Sherrill.

The motion passed unopposed.

9. *Adjournment.*

A motion was made to adjourn.

Motion made by Ron Sherrill.

Seconded by Jim Roberts.

The motion passed unopposed and the meeting was adjourned at 9:47 pm.

Minutes taken by Karissa Kornegay