

LAKE BONANZA WATER SUPPLY CORPORATION
DIRECTOR BOARD MEETING
October 13, 2016
KOA 19785 Highway 105 West Montgomery, Texas 77356 6:00 P.M

President Mary Wesolick called the meeting to order. Director Joe Gonzalez was unable to be present. David Miller, Vice President Lance Molchan, Tracy Michaud and Secretary Karen Gonzalez were present and made the quorum.

David made a motion to accept the minutes from the September 2016 meeting that had been sent out to Directors prior to the meeting. Lance seconded and the motion passed unanimously.

Mary then presented Diana Long for the board to consider as a Board Member. Directors received her application prior to the meeting for review. Lance made a motion to appoint Diana Long to the LBWSC BOARD, Director #5. Tracy seconded and the motion passed unanimously.

Lance motioned to approve and pay the bills that had been reviewed by members. Tracy seconded and it passed unanimously.

Mike from C & R presented the Director Report. He reviewed the TCEQ had granted temporary alternative capacity requirements until January 21, 2020. The problem with the main line valves and the main line location connected in some way with Aqua Texas water is still being investigated. Mary requested from C & R a cost summary to fix the situation. Mary interjected the bids for installation of the pressure tank might be in November. Tracy motioned to accept the Director Report. David seconded and the motion passed unanimously.

Melanie from C & R gave the Financial Report showing total net income for September as \$20,890.92. Lance motioned to accept the report. Tracy seconded. The motion passed unanimously.

David made a motion to allow customer Mr. J. Harrison on Darton Road to drill a well for irrigation. Tracy seconded and the motion passed unanimously. Melanie agreed to prepare a letter informing the member of the decision and to relay LBWSC would need to make an inspection to verify it did not connect with the LBWSC system. Also, there would be a charge for the inspection.

Diana made a motion to prepare a newsletter for customers and Karen seconded. The motion passed. The target time for this was agreed for January.

Lance made a motion to adopt the Customer Issue Information Form. David seconded. Motion passed unanimously.

Information presented by Lance and discussion of reducing LBWSC debt resulted in Lance making a motion to pay \$10,000 toward principal in addition to the regular payment of \$3,224 on a monthly basis to Loan #3. David seconded this motion. The motion passed unanimously. David motioned to start the new principal payment in the present month of October, 2016. Lance seconded. The motion passed.

Mary relayed she had talked with Monica Pierre of the USDA office in Huntsville regarding getting a new USDA loan. After discussion, Lance motioned to begin the process required to drill a well to the Catahoula aquifer. Tracy seconded and this motion passed unanimously.

Tracy motioned to adjourn and Lance seconded. Motion passed. Meeting adjourned 8:08 P.M.

Sincerely,

Karen Gonzalez

Secretary