

Avalon Water and Sewer Service Corp

Board of Directors Meeting February 9, 2012

MINUTES

The Board of Directors of Avalon Water and Sewer Service Corporation met for their regularly scheduled meeting at the First Baptist Church Avalon, Texas 7:00 pm on Thursday February 9, 2012.

Directors present for this meeting were Patsy Russell, Robin Donaldson, Denice Wimbish, Harrison Romero, Manuel Rodriguez, Avalon employee Gregg Rodriguez and Dean Carrell Sewer Plant Consultant, Wendy Frank Assistant to Dean Carrell. Present from HILCO Electric Cooperative was Kent Smith Water Operations Manager and Abby Bason Water Customer Service Representative.

Meeting was called to order at 7:12 p.m. by Board President Patsy Russell and determined the presence of a quorum.

There were three members present Marcia Gillespie, and Carol Gillespie and Mary Bates, also present was Cindy Sutherland with the Neo-Tribune of Italy. Carol Gillespie advised the Board that she had spoken to the State Attorney General due to Agenda's not being posted within the 72 hrs the state requires. Ms. Gillespie stated that they were willing to Delay taking any actions if matter was corrected.

Special Meeting minutes of January 5, 2012 were tabled as there was not a copy of the said minutes.

Minutes of previous meeting of January 12, 2012 approved with a motion by Harrison Romero, second by Denice Wimbish. Motion carried unanimously.

Harrison Romero made a motion to approve the financial report for payment of current expenses, second by Manuel Rodriguez. Motion carried unanimously.

Harrison Romero made a motion to approve the repair invoices, second by Manuel Rodriguez. Motion carried unanimously.

Patsy Russell asked that Item #8 of the agenda concerning the Gillespie Land Purchase be discussed in Executive Session.

Dean Carrell updated the Board on the sewer plant; states everything is looking good and the numbers are good also. His assistant Wendy Frank will begin to work on a USDA Grant.

Patsy Russell advised the Board that David Waishes is interested in serving on the Board to fill John Goodwyn's unexpired term.

President Patsy Russell told Board that she had intended to have Attorney Jessie J Munguia come and give them a presentation on himself and his company, but Jessie was unable to attend.


Kent Smith advised Board that Gregg had past his test and now has a Class D Groundwater license. Kent also shared with the Board that Gregg would be taking off Friday February 9, 2012 and may or may not be back Monday February 13, 2012 HILCO will be on call Thursday night February 9th through possibly Monday night February 13, 2012. Gregg has also stated that he may be off the week of February 20th 2012 in which HILCO will cover for him. Dean Carrell will be the person HILCO will call if there are any sewer problems.

Board went into Executive Session at 7:38 pm, returned from Executive Session at 8:15 pm. Board agreed to pay for half of Gregg's January 2012 medical expenses and will pay for Gregg's immunizations (hepatitis injection). Board will look into employee health insurance and will pay for part of that. Board discussed getting an employee job description in place along with an employee job evaluation form. Gillespie Land Purchase was tabled.

Gregg advised Board that he purchased one pump and has it up and running but needs to purchase a second one for back up.

With there being no further business the meeting was adjourned at 8:20 p.m. with a motion by Harrison Romero, second by Denice Wimbish. Motion carried unanimously.

APPROVED BY THE BOARD OF DIRECTORS THIS 8th DAY OF March 2012.


Patsy Russell, President


Robin Donaldson, Sec/Trea

AVALON WATER AND SEWER SERVICE CORP

115 E Main
PO Box 246

Itasca, Texas 76055
Phone: 254-687-2331
Fax: 254-687-2428

AGENDA

Officers

Patsy Russell, President

Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimbish

not present Santos Munguia

Harrison Romero

not present Manuel Rodriguez

Notice of Monthly Meeting for March 2012

To All Members:

The regular meeting of Avalon Water and Sewer Service Corporation for March 2012 will be held at the First Baptist Church, Avalon Texas, on Thursday March 8, 2012 at 7:00 p.m.

The agenda for the meeting is as follows:

1. Call meeting to order
2. Determine presence of a quorum
3. Visitor's concerns and comments
4. Appoint John Goodwyn's Replacement *skip David not here*
5. Reading and approval of January 5, 2012 Special Meeting minutes
6. Reading and approval of minutes of previous meeting of February 9, 2012
7. Review and approval of financial report for payment of current expenses
8. Review and approval of repair invoices
9. Sewer Update
10. New Sewer Plant Update
11. President's Report
12. Discuss & Act on an Attorney \$125 an hr. no retainer
13. Discuss & Act on Gillespie Land Purchase *executive session*
14. Discuss hiring someone to help Gregg with reading meters
15. Discuss & Act on Health Insurance for Employee Gregg Rodriguez *table*
16. Manager's Report/Water Update
17. Discuss and Act on purchase of an additional pump
18. ~~Executive Session~~ *Discussed alleged violation of open meeting*
19. Open Forum *Attempt to Blackmail the board.*
20. Adjourn

Amendment Permit
1) Admin
2) Tech
\$350 fee
landowners up to
a mile downstream
Trey hired to
read meters.
\$10 an hr.

AVALON001391

Avalon Water and Sewer Service Corp

Board of Directors Meeting

March 8, 2012

AMENDED MINUTES

The Board of Directors of Avalon Water and Sewer Service Corporation met for their regularly scheduled meeting at the First Baptist Church Avalon, Texas 7:00 pm on Thursday March 8, 2012.

Directors present for this meeting were Patsy Russell, Robin Donaldson, Denice Wimbish, Harrison Romero, Avalon employee Gregg Rodriguez and Dean Carrell Sewer Plant Consultant, Wendy Frank Assistant to Dean Carrell. Present from HILCO Electric Cooperative was Kent Smith Water Operations Manager and Abby Bason Water Customer Service Representative.

Meeting was called to order at 7:10 p.m. by Board President Patsy Russell and determined the presence of a quorum.

There were two members present Marcia & Carol Gillespie. Visitors present were Cindy Sutherland with the Neo-Tribune of Italy and Scott Hoelzle with KSA.

With a motion by Harrison Romero, David Waishes was appointed to fill John Goodwyn's unexpired term. Second by Denice Wimbish, motion carried unanimously.

Minutes of the Special Meeting held January 5, 2012 were approved with a motion by Harrison Romero, second by Denice Wimbish. Motion carried unanimously.

Minutes of previous meeting of February 9, 2012 approved with a motion by Harrison Romero, second by Robin Donaldson. Motion carried unanimously.

Harrison Romero made a motion to approve the financial report for payment of current expenses, second by Denice Wimbish. Motion carried unanimously.

Harrison Romero made a motion to approve the repair invoices, second by Robin Donaldson. Motion carried unanimously.

Dean Carrell updated the Board on the sewer plant; stated smoke test had been done and machine returned, advised that there were several areas of concern. There was four thousand gallons of sludge taken to the Italy plant. Upgrades on sewer plant are going well. Scott Hoelzle with KSA stated that permit renewal was denied by TCEQ; permit was amended and done as a new permit increasing gallonage to forty thousand per day from twenty-five thousand per day. Application/administration fee will be approximately three hundred and fifty dollars.

AVALON001392

President Patsy Russell advised Board that USDA Loan was pulled due to nothing being done. Patsy asked that Item #13 of the agenda concerning the Gillespie Land Purchase be discussed in Executive Session.

Harrison Romero made a motion to hire Attorney Jesse Munguia, second by Denice Wimbish. Motion carried unanimously. Attorney Munguia advised Board that there usually was a two hundred dollar retainer but in this case will bill monthly at one-hundred twenty-five dollars an hour. Contract will be presented at April's Board meeting.

Harrison Romero made a motion to hire Everett Russell III (Trey) to help Gregg with reading meters and Trey will be paid ten dollars an hour, second by Robin Donaldson. Motion carried unanimously.

Issue of Health Insurance for Employee Gregg Rodriguez was tabled.

Kent Smith informed Board that a Matt Hamilton had asked about a meter(s) near Scott Green's and since we still owe Scott Green meters he told Mr. Hamilton we could not provide him with a meter at this time.

Harrison Romero made a motion to purchase an additional pump, second by Robin Donaldson. Motion carried unanimously.

Board went into Executive Session at 7:45 pm for the purpose of legal options on land acquisition, returned from Executive Session at 8:25 pm. Patsy Russell stated that after discussion with attorney the Board had agreed to go ahead and practice their right with eminent domain, there will be an appraisal done to find fair market value for varying buffer zone of five hundred to eight hundred feet and there will be a letter sent to surrounding land owners advising them of the findings and offer, motion made by Harrison Romero, second by Robin Donaldson. Motion carried unanimously.

With there being no further business the meeting was adjourned at 8:30 p.m. with a motion by Robin Donaldson, second by Denice Wimbish. Motion carried unanimously.

APPROVED BY THE BOARD OF DIRECTORS THIS 10th DAY OF May 2012.


David Waishes, President


Robin Donaldson, Sec/Trea

Avalon Water and Sewer Service Corp

Board of Directors Meeting March 8, 2012

MINUTES

The Board of Directors of Avalon Water and Sewer Service Corporation met for their regularly scheduled meeting at the First Baptist Church Avalon, Texas 7:00 pm on Thursday March 8, 2012.

Directors present for this meeting were Patsy Russell, Robin Donaldson, Denice Wimbish, Harrison Romero, Avalon employee Gregg Rodriguez and Dean Carrell Sewer Plant Consultant, Wendy Frank Assistant to Dean Carrell. Present from HILCO Electric Cooperative was Kent Smith Water Operations Manager and Abby Bason Water Customer Service Representative.

Meeting was called to order at 7:10 p.m. by Board President Patsy Russell and determined the presence of a quorum.

There were two members present Marcia & Carol Gillespie. Visitors present were Cindy Sutherland with the Neo-Tribune of Italy and Scott Hoelzle with KSA.

With a motion by Harrison Romero, David Waishes was appointed to fill John Goodwyn's unexpired term. Second by Denice Wimbish, motion carried unanimously.

Minutes of the Special Meeting held January 5, 2012 were approved with a motion by Harrison Romero, second by Denice Wimbish. Motion carried unanimously.

Minutes of previous meeting of February 9, 2012 approved with a motion by Harrison Romero, second by Robin Donaldson. Motion carried unanimously.

Harrison Romero made a motion to approve the financial report for payment of current expenses, second by Denice Wimbish. Motion carried unanimously.

Harrison Romero made a motion to approve the repair invoices, second by Robin Donaldson. Motion carried unanimously.

Dean Carrell updated the Board on the sewer plant; stated smoke test had been done and machine returned, advised that there were several areas of concern. There was four thousand gallons of sludge taken to the Italy plant. Upgrades on sewer plant are going well. Scott Hoelzle with KSA stated that permit renewal was denied by TCEQ; permit was amended and done as a new permit increasing gallonage to forty thousand per day from twenty-five thousand per day. Application/administration fee will be approximately three hundred and fifty dollars.

President Patsy Russell advised Board that USDA Loan was pulled due to nothing being done. Patsy asked that Item #13 of the agenda concerning the Gillespie Land Purchase be discussed in Executive Session.

Harrison Romero made a motion to hire Attorney Jesse Munguia, second by Denice Wimbish. Motion carried unanimously. Attorney Munguia advised Board that there usually was a one hundred twenty-five dollar retainer but in this case will bill monthly at two hundred dollars an hour. Contract will be presented at April's Board meeting.

Harrison Romero made a motion to hire Everett Russell III (Trey) to help Gregg with reading meters and Trey will be paid ten dollars an hour, second by Robin Donaldson. Motion carried unanimously.

Issue of Health Insurance for Employee Gregg Rodriguez was tabled.


Kent Smith informed Board that a Matt Hamilton had asked about a meter(s) near Scott Green's and since we still owe Scott Green meters he told Mr. Hamilton we could not provide him with a meter at this time.

Harrison Romero made a motion to purchase an additional pump, second by Robin Donaldson. Motion carried unanimously.

Board went into Executive Session at 7:45 pm, returned from Executive Session at 8:25 pm. Patsy Russell stated that after discussion with attorney the Board had agreed to go ahead and practice their right with eminent domain. There will be an appraisal done to find fair market value for varying buffer zone of five hundred to eight hundred feet. There will be a letter sent to surrounding land owners advising them of the findings and offer.

With there being no further business the meeting was adjourned at 8:30 p.m. with a motion by Robin Donaldson, second by Denice Wimbish. Motion carried unanimously.

APPROVED BY THE BOARD OF DIRECTORS THIS 9th DAY OF April 2012.


Patsy Russell, President
DAVID WAISHES


Robin Donaldson, Sec/Trea

AVALON001395

AVALON WATER AND SEWER SERVICE CORP

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AGENDA

Officers

Patsy Russell, President

David Walshes, Vice-President

Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimbish

Santos Munguia

Harrison Romero

Manuel Rodriguez

Notice of Monthly Meeting for April 2012

To All Members:

The regular meeting of Avalon Water and Sewer Service Corporation for April 2012 will be held at the First Baptist Church, Avalon Texas, on Thursday April 9, 2012 at 7:00 p.m.

The agenda for the meeting is as follows:

1. Call meeting to order
2. Realignment of Board of Directors
3. Visitor's concerns and comments
4. Approval of minutes of previous meeting of March 8, 2012
5. Review and approval of financial report for payment of current expenses
6. Review and approval of repair invoices
7. Reconfirm Adoption of Drought Contingency Plan
8. Discuss & Act on Attorney's Contract
9. Attorney's Report
 - Update on Gillespie Land
10. President's Report
11. Sewer Update/Update on Plant Upgrades
12. Discuss & Act on Purchase of Pressure Washer for Sewer Plant
13. Discuss & Act on Land Fill
14. Discuss & Act on Health Insurance for Employee Gregg Rodriguez *Tabled*
15. Manager's Report/Water Update
16. ~~Executive Session~~ *Request no action on Health Insurance of Employee Isidore*
17. Open Forum
18. Adjourn

AVALON001396

Avalon Water and Sewer Service Corp

Board of Directors Meeting

April 9, 2012

MINUTES

The Board of Directors of Avalon Water and Sewer Service Corporation met for their regularly scheduled meeting at the First Baptist Church at 206 Giles St., Avalon, Texas 7:25 pm on Monday April 9, 2012 following the Annual Meeting.

Directors present for this meeting were Patsy Russell, Robin Donaldson, Denice Wimbish, Harrison Romero, David Waishes, Manuel Rodriguez, Avalon Employee Gregg Rodriguez and Jesse Munguia Attorney. Present from HILCO Electric Cooperative was Kent Smith Water Operations Manager, Abby Bason Water Customer Service Representative, and Debra Cole General Manager.

Meeting was called to order at 7:25 p.m. by Board President Patsy Russell and determined the presence of a quorum.

There were two members present Marcia & Carol Gillespie. Visitors present were Cindy Sutherland with the Neo-Tribune of Italy and Wendy Frank with the City of Italy.

With a motion by Harrison Romero and second by Patsy Russell, David Waishes was nominated to become President motion carried unanimously. Harrison Romero nominated Patsy Russell for Vice President, second by Manuel Rodriguez. Motion carried unanimously.

Minutes of previous meeting of March 8, 2012 approved with a motion by Harrison Romero, second by Manuel Rodriguez. Motion carried unanimously.

Harrison Romero made a motion to approve the financial report for payment of current expenses, second by Patsy Russell. Motion carried unanimously.

Harrison Romero made a motion to approve the repair invoices, second by Patsy Russell. Motion carried unanimously.

Accept Reconfirmation Adoption of Drought Contingency Plan motion made by Harrison Romero, second by Patsy Russell. Motion carried unanimously.

Attorney Jesse Munguia went over his contract with the Board; Harrison Romero made the motion to accept, second by Denice Wimbish. Motion carried unanimously.

AVALON001397

#9 Attorney's Report and #14 Employee issues to be discussed in executive session.

Valve stack leak at landfill, will be checked for protection.

Table sewer update and update on plant upgrades.


Patsy Russell made a motion to purchase a power washer not to exceed cost of six-hundred dollars, second by Harrison Romero. Motion carried unanimously

Patsy Russell read letter from Landfill stating if a contract was signed at this time, price would stay at seven dollars and eighty cents or price would be going up to ten dollars. Harrison Romero made a motion to accept the landfill contract, second by Patsy Russell. Motion carried unanimously. Patsy Russell also advised Board that the Grant/Loan notice was published in the newspaper.

Board went into executive session at 8:02 p.m. Board returned from execution session at 8:49 p.m. Health insurance for Avalon employee was tabled.

With there being no further business the meeting was adjourned at 8:50 p.m. with a motion by Patsy Russell, second by Robin Donaldson. Motion carried unanimously.

APPROVED BY THE BOARD OF DIRECTORS THIS 10th DAY OF may 2012.


David Waishes, President


Robin Donaldson, Sec/Trea

AVALON001398

SPECIAL MEETING

April 30, 2012

- At 7:08 p.m. the meeting was called to order by President David Waishes. A quorum was determined. Board members present, David Waishes, Manuel Rodriguez, Harrison Romero, Denice Wimbish, Robin Donaldson. Also attending, board attorney, Jesse Munguia. Visitors attending - Carol Gillespie, Marcia Gillespie, Mary Bates, Pam Munguia, Jimmy Brown, Wayne Hastings, Jeremy Langley, Patty Hernandez and Neotribune reporter, Cindy Sutherland.
- Approval of April 9, 2012 minutes will take place at regular scheduled meeting May 10, 2012.
- David Waishes informed the board that two board members, Patsy Russell and Santos Munguia have submitted their resignations. Harrison Romero made a motion to accept the resignations, Denice Wimbish seconded the motion. Unanimous vote to accept resignations. Two individuals have expressed a desire to serve on the board, Jimmy Brown and Jeremy Langley. Harrison Romero made a motion that these two men be appointed to fill the remaining terms of Patsy Russell and Santos Munguia. Manuel Rodriguez seconded the motion. Unanimous board vote in favor of appointees.
- Harrison Romero made a motion to table the discussion and action on legal representation, seconded by Manuel Rodriguez. Vote was unanimous to table.
- At the advice of board attorney, the board moved into executive session at 7:17 p.m. The board moved out of executive session at 8:16 p.m.
- After reconvening the Special Called Meeting, the president stated that during the Executive Session the board discussed both alleged violations of the Texas Open Meeting Act and an alleged attempt to blackmail the board with their attorney. He stated that everything discussed is protected by Attorney-Client Privilege and therefore shall not be disclosed. The President's final statement was that since no action is being taken no vote shall be cast. There being no further business, Harrison Romero made a motion to adjourn, Denice Wimbish seconded the motion. Unanimous vote to close meeting. Close of meeting 8:18 p.m.

AVALON WATER AND SEWER SERVICE CORP

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AGENDA

Officers

David Waishes, President

Jimmy Brown, Vice-President

Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimbish

Harrison Romero

Manuel Rodriguez

Jeremy Langley

Notice of Monthly Meeting for May 2012

To All Members:

The regular meeting of Avalon Water and Sewer Service Corporation for May 2012 will be held at the First Baptist Church, 206 Giles St., Avalon Texas, on Thursday May 10, 2012 at 7.00 p.m.

The agenda for the meeting is as follows.

1. Call meeting to order and determine a quorum
2. Visitor's concerns and comments
3. Approval of minutes of previous meeting of April 9, 2012
4. Review and approval of amended March 8, 2012 minutes
5. Review and approval of financial report for payment of current expenses
6. Review and approval of repair invoices
7. Attorney's Report
 - Review and approve Senate Bill 18
 - Discuss and act on legal representation
8. President's Report
9. Sewer Update/Update on Plant Upgrades
10. Discuss & Act on Health Insurance for Employee Gregg Rodriguez
11. Discuss & Act on having work orders to do work
12. Discuss & Act on employee time off needing to be approved by President or Board agent
13. TCEQ letter on sampling requirement
14. Manager's Report/Water Update
15. Discuss and Act on Well #1 Repairs
16. Discuss and Act on signature cards for all banks
17. Discuss and Act on USDA Operating Budget Information
18. Executive Session
 - Legal brief concerning waste water treatment site *no action*
 - Land appraisal
19. Open Forum
20. Adjourn

AVALON001400

Avalon Water and Sewer Service Corp

Board of Directors Meeting May 10, 2012

MINUTES

The Board of Directors of Avalon Water and Sewer Service Corporation met for their regularly scheduled meeting at the First Baptist Church at 206 Giles St., Avalon, Texas 7:00 pm on Thursday May 10, 2012.

Directors present for this meeting were Robin Donaldson, Denice Wimbish, Harrison Romero, David Waishes, Manuel Rodriguez, Jimmy Brown, Jeremy Langley, Avalon Employee Gregg Rodriguez and Jesse Munguia Attorney. Present from HILCO Electric Cooperative was Kent Smith Water Operations Manager and Abby Bason Water Customer Service Representative.

Meeting was called to order at 7:05 p.m. by Board President David Waishes and determined the presence of a quorum.

There were four members present Marcia & Carol Gillespie, Mary Bates, Wendy Rodriguez and Kimberly Waishes. Visitor Cindy Sutherland with Neo-Tribune of Italy was also present and Contractors Dean Carroll and Wendy Frank.

Minutes of previous meeting of April 9, 2012 approved with a motion by Harrison Romero, second by Denice Wimbish. Motion carried unanimously.

Harrison Romero made a motion to approve the financial report for payment of current expenses, second by Jeremy Langley. Motion carried unanimously.

Harrison Romero made a motion to approve the repair invoices, second by Robin Donaldson. Motion carried unanimously.

Attorney Jesse Munguia reviewed Senate Bill 18 and stated did not apply to Water & Sewer Corporation. Discussion on legal presentation was tabled.

David Waishes informed Board had received resignations from Patsy Russell and Santos Munguia.

Dean Carroll reported DMR reports shows waste water plant is working. Form needs to be completed to expedite permit. Need to look at Engineering Plan with minor upgrades.

AVALON001401

Discussion of Employee Health Insurance, Work Orders and approval of Employee time-off were all tabled.

David Waishes asked that HILCO send letter to TCEQ explaining the sampling requirement.

Kent Smith reported Well #1 is out, there is a problem in the hole, pump and motor need to be pulled to determine what the problem entails. Harrison Romero made a motion to get someone to pull motor and pump and spend no more than \$7,600, second by Robin Donaldson. Motion carried unanimously. David Waishes asked that a cost analysis be done on this repair.

Robin Donaldson made a motion that Harrison Romero and Jeremy Langley be added to signature cards for all banks, second by Denice Wimbish. Motion carried unanimously.

Robin Donaldson made a motion to except and forward information to USDA on the operating budget, second by Harrison Romero. Motion carried unanimously.

Board went into Executive Session at 7:10 pm. Board returned from Executive Session at 7:55 pm with no action, no vote.

With there being no further business the meeting was adjourned at 9:02 pm with a motion by Harrison Romero, second by Robin Donaldson. Motion carried unanimously.

APPROVED BY THE BOARD OF DIRECTORS THIS 12th DAY OF July 2012.

David C. Waishes
David Waishes, President

Robin Donaldson
Robin Donaldson, Sec/Trea

AVALON001402

AVALON WATER AND SEWER SERVICE CORP

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AGENDA

Officers

David Waishes, President
Jimmy Brown, Vice-President
Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimbish
Harrison Romero
Manuel Rodriguez
Jeremy Langley

Notice of Monthly Meeting for June 2012

To All Members:

The regular meeting of Avalon Water and Sewer Service Corporation for June 2012 will be held at the First Baptist Church, 206 Giles St., Avalon Texas, on Thursday June 14, 2012 at 7:00 p.m.

The agenda for the meeting is as follows:

1. Call meeting to order and determine a quorum
2. Visitor's concerns and comments
3. Realignment of Board/Vote on Vice President position
4. Approval of minutes of previous meeting of May 10, 2012
5. Review and approval of financial report for payment of current expenses
6. Review and approval of repair invoices
7. Attorney's Report
 - * Discuss and act on legal representation
8. President's Report
9. Sewer Update/Waste Water Treatment Plant Improvements
10. Discuss & Act on having work orders to do work
11. Storage Building Use
12. Manager's Report/Water Update
13. Discuss and Act on Well #1 Repairs
14. Discuss and Act on signature cards for all banks
15. Executive Session
 - * Legal brief concerning waste water treatment site *no action*
 - * Land appraisal *no action*
 - * General Manager designation *more discussion*
 - * Gregg Rodriguez Annual Review *more discussion*
 - * Discuss & Act on Health Insurance for Employee Gregg Rodriguez *more discussion*
16. Open Forum
17. Adjourn

AVALON001403

Avalon Water and Sewer Service Corp

Board of Directors Meeting June 14, 2012

MINUTES

The Board of Directors of Avalon Water and Sewer Service Corporation met for their regularly scheduled meeting at the First Baptist Church at 206 Giles St., Avalon, Texas 7:00 pm on Thursday June 14, 2012.

Directors present for this meeting were Denice Wimbish, Harrison Romero, David Waishes, Manuel Rodriguez, Jimmy Brown, Jeremy Langley, Avalon Employee Gregg Rodriguez and Jesse Munguia Attorney. Present from HILCO Electric Cooperative was Kent Smith Water Operations Manager and Abby Bason Water Customer Service Representative.

Meeting was called to order at 7:05 p.m. by Board President David Waishes and determined the presence of a quorum.

There were six members present Marcia & Carol Gillespie, Patsy Russell, Patty Hernandez, Pam Munguia, Carrie Langley. Barry Byers with Neo-Tribune of Italy was also present and Contractors Dean Carroll and Wendy Frank.

Patsy Russell advised Board that Mr. Palacios had approached her about not being able to move meter he has been paying for but not used. Tariff states must be adjoining properties.

Harrison Romero nominated Jimmy Brown to fill opening for Vice-President, second by Jeremy Langley. Motion carried unanimously.

Minutes of May 10, 2012 meeting approved with correction with a motion by Harrison Romero, second by Denice Wimbish. Motion carried unanimously.

Harrison Romero made a motion to approve repair invoices, second by Manuel Rodriguez. Motion carried unanimously.

Harrison Romero made a motion to approve the financial report for payment of current expenses, second by Jeremy Langley. Motion carried unanimously.

Attorney Jesse Munguia arrived shortly after meeting began was not ready to make any presentation. Discussion on legal representation was tabled.

David Waishes informed Board he and Gregg Rodriguez had gone to Austin to TCEQ spoke with Mr. Roesch. There was a discussion of adding a tank and lift station and TCEQ was informed of the upgrades that have already been done.

Dean Carroll added that the trip made by David Waishes and Gregg Rodriguez to TCEQ seemed positive. Dean Carroll advised that Avalon numbers are still under limits 19/20 but recommends adding pump to aerate at first basin with mixer and clarifier. David Waishes asks the Board to consider giving permission to spend and not exceed \$11,500 to begin repairs. Motion made by Harrison Romero, second by Manuel Rodriguez. Motion carried unanimously. Dean Carroll reported to Board that Italy will continue to take the sludge from Avalon at no cost.

Kent Smith presented Board with cost analysis on repairs to Well #1 of \$15,391.90. David Waishes will go to School Board meeting to ask for monetary help, since the school benefits from this well. Denice Wimbish made a motion to spend \$15,391.90 where School agrees to help or not, second by Manuel Rodriguez. Motion carried with 3 remaining Board members agreeing and Harrison Romero abstained due to conflict.

Tabled work orders and storage building use.

Board went into Executive Session at 8:25 pm. Board returned from Executive Session at 9:12 pm with no action, no vote. Need more discussion on General Manager Designation and Employee Annual review /Health Insurance.

Abby Bason advised Board that there is an old Bank account that has \$415 and Paula Solis HILCO Accountant asked if Avalon wants that account closed or left open. Board agreed that if there were not any charges for having small amount in account to leave it, Motion made by Jeremy Langley, second Denice Wimbish. Motion carried unanimously.

With there being no further business the meeting was adjourned at 9:23 pm with a motion by Jeremy Langley, second by Jimmy Brown. Motion carried unanimously.

APPROVED BY THE BOARD OF DIRECTORS THIS _____ DAY OF _____ 2012.

David Waishes, President

Robin Donaldson, Sec/Trea

AVALON001405

AVALON WATER AND SEWER SERVICE CORP

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AGENDA

Officers

David Waishes, President
Jimmy Brown, Vice-President
Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimblish
248 Harrison Romero
225 Manuel Rodriguez
Jeremy Langley

Notice of Monthly Meeting for July 2012

To All Members:

The regular meeting of Avalon Water and Sewer Service Corporation for July 2012 will be held at the First Baptist Church, 206 Giles St., Avalon, Texas, on Thursday July 12, 2012 at 7:00 p.m.

The agenda for the meeting is as follows:

- 1 Call meeting to order and determine presence of a quorum
- 2 Visitor's concerns and comments
- 3 Review and approval of minutes of previous meeting June 14, 2012
- 4 Review and approval of repair invoices
- 5 Review and approval of financial report for payment of current expenses
- 6 Attorney's Report
 - Discuss and Act on Attorney Legal Representation and fees
- 7 President's Report
 - Discuss and Act on Moving of Meter for Miguel Palacios
- 8 Sewer Update/Waste Water Treatment Plant Improvements
 - Discuss and Act on Well #1 Repairs
- 9 Managers Report/Water Update
- 10 Discuss and Act on Work Orders
- 11 Discuss & Act on Storage Building use
- 12 Executive Session
 - Legal brief concerning waste water treatment site *no action*
 - Land appraisal
 - General Manager designation *Tabled*
 - Avalon HILCO Contract
 - Discuss & Act on Greg Rodriguez Annual Review and Health Insurance. *Approved 15th month pay increase for Greg Rodriguez to cover Health insurance.*
13. Open Forum
14. Adjourn

AVALON001406

Avalon Water and Sewer Service Corp

Board of Directors Meeting

July 12, 2012

MINUTES

The Board of Directors of Avalon Water and Sewer Service Corporation met for their regularly scheduled meeting at the First Baptist Church at 206 Giles St., Avalon, Texas 7:00 pm on Thursday July 12, 2012.

Directors present for this meeting were Robin Donaldson, David Waishes, Jimmy Brown, Jeremy Langley, Denice Wimbish, Avalon Employee Gregg Rodriguez and Jesse Munguia Attorney. Present from HILCO Electric Cooperative was Kent Smith Water Operations Manager and Abby Bason Water Customer Service Representative.

Meeting was called to order at 7:00 p.m. by Board President David Waishes. Jeremy Langley determined the presence of a quorum.

There were six members present Marcia & Carol Gillespie, Mary Bates, Ron Gillespie, Pam Munguia and Jesus Palacios also present Contractors Dean Carroll and Wendy Frank.

Ron Gillespie asked if Board was sure they wanted to discuss everything listed under Executive Session in Executive Session, Board President David Waishes answered yes.

Minutes of previous meeting of June 14, 2012 approved with a motion by Jimmy Brown, second by Denice Wimbish. Motion carried unanimously.

Jimmy Brown made a motion to approve the one repair invoice, second by Robin Donaldson. Motion carried unanimously.

Robin Donaldson made a motion to approve the financial report for payment of current expenses, second by Jimmy Brown. Motion carried unanimously.

Attorney Jesse Munguia presented the Board with the contract between Avalon Water & Service Corporation and himself for review. He asked that the Board have an attorney look over the contract. Attorney Munguia went over his charges of \$100 per hour net 30 days versus retainer. Jimmy Brown made a motion to table matter so Board could look over contract or have an attorney look over it, second by Jeremy Langley. Motion carried unanimously.

David Waishes informed Board that he received letter from TCEQ Financial Administration Committee stating that the \$66,275.00 fine was dropped. After inspection Mr. Waishes was contacted by a Mr. Slocum with TCEQ stating a concern about lines, the infrastructure is old and needs to be replaced; Avalon will be working on that.

AVALON001407

On the Miguel Palacios meter, Board agreed that if Mr. Palacios paid for moving meter that will be done with only the charge to move meter and road bore if one needs to be done, motion by Jimmy Brown, second by Jeremy Langley. Motion carried unanimously.

Wendy Frank asked that submitting DMR electronically be considered, per David Waishes that is to be added to August Agenda. Dean Carroll stated that we are waiting on smoke test and that information on permitting process is to be sent.

Kent Smith reported that there is something wrong in the hole of Well #1, Jimmy Brown made a motion to spend \$5,737.25 and try to reduce labor cost, second by Robin Donaldson. Motion carried unanimously.

Work orders will be attached to an email. Unable to use Storage Building for work orders. Board agreed to pay Employee Gregg Rodriguez \$30 a month so that he may increase his data plan on his personal phone. Motion made by Jimmy Brown, second by Denice Wimbish. Motion carried unanimously.

Board went into Executive Session at 8:21 pm. Board returned from Executive Session at 8:52 pm. No action therefore no vote on legal brief concerning waste water treatment site or land appraisal. General Manager Designation was tabled. Jimmy Brown made a motion to discuss Avalon/HILCO contract further, second by Jeremy Langley, motion carried unanimously. Jimmy Brown made a motion to increase Gregg Rodriguez' pay \$150 a month to cover his pay increase and pay on his portion of health insurance, second by Denice Wimbish, motion carried unanimously.

With there being no further business the meeting was adjourned at 8:55 pm with a motion by Robin Donaldson, second by Jimmy Brown. Motion carried unanimously.

APPROVED BY THE BOARD OF DIRECTORS THIS 9th DAY OF August 2012.


David Waishes, President


Robin Donaldson, Sec/Trea

AVALON001408

AVALON WATER AND SEWER SERVICE CORP

115 E Main
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Itasca, Texas 76055
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AGENDA

Officers

David Waishes, President
Jimmy Brown, Vice-President
Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimbish
Harrison Romero
Manuel Rodriguez
Jeremy Langley

Notice of Monthly Meeting for August 2012

To All Members:

The regular meeting of Avalon Water and Sewer Service Corporation for August 2012 will be held at the First Baptist Church, 206 Giles St., Avalon, Texas, on Thursday August 9, 2012 at 7:00 p.m.

The agenda for the meeting is as follows:

1. Call meeting to order and determine presence of a quorum
2. Visitor's concerns and comments
3. Review and approval of minutes of previous meeting July 12, 2012
4. Review and approval of repair invoices
5. Review and approval of financial report for payment of current expenses
6. Attorney's Report
 - Discuss and Act on Attorney Legal Representation and fees
7. President's Report
8. Sewer Update/Waste Water Treatment Plant Improvements
 - Approval to submit Discharge Monitoring Report Electronically
9. Managers Report/Water Update
 - Discuss and Act on Well #1 Repairs
10. Executive Session
 - Legal brief concerning waste water treatment site *no action*
 - Land appraisal *no action*
 - General Manager designation — *Tabled*
 - Avalon/HILCO Contract *Tabled*
11. Open Forum *Accept Recontract from Jesse Munghia. Lev Firm*
12. Adjourn

AVALON001409

Avalon Water and Sewer Service Corp

Board of Directors Meeting August 9, 2012

MINUTES

The Board of Directors of Avalon Water and Sewer Service Corporation met for their regularly scheduled meeting at the First Baptist Church at 206 Giles St., Avalon, Texas 7:00 pm on Thursday August 9, 2012.

Directors present for this meeting were Robin Donaldson, David Waishes, Jimmy Brown, Jeremy Langley, Denice Wimbish, Avalon Employee Gregg Rodriguez and Jesse Munguia Attorney. Present from HILCO Electric Cooperative was Kent Smith Water Operations Manager and Abby Bason Water Customer Service Representative.

Meeting was called to order at 7:01p.m. by Board President David Waishes. Jimmy Brown determined the presence of a quorum.

There were two members present Marcia & Carol Gillespie and Contractor Wendy Frank.

Minutes of previous meeting of July 12, 2012 approved with a motion by Jimmy Brown, second by Denice Wimbish. Motion carried unanimously.

Jimmy Brown made a motion to approve the one repair invoice, second by Robin Donaldson. Motion carried unanimously.

Jimmy Brown made a motion to approve the financial report for payment of current expenses but amend previous accounts payable register, second by Denice Wimbish. Motion carried unanimously.

Attorney Jesse Munguia discussed with Board capping his invoice. Jimmy Brown made a motion to delay action until after Executive Session, second by Robin Donaldson. Motion carried unanimously.

David Waishes informed Board that the TCEQ inspection had gone well, TCEQ seems to be satisfied with what is being done and future plans for repairs, Mr. Waishes advised Board that an Engineer approved plan is needed.

Employee Gregg Rodriguez informed Board of materials (structure steel) needed to make frame for Aerator. He also informed Board that Frost has smoke test machine right now and that it would take \$100-\$200 for canisters. Jimmy Brown made a motion to approve submitting Discharge Monitoring Report electronically, second by Jeremy Langley. Motion carried unanimously.

AVALON001410

Kent Smith reported that Todd Watson with J.L. Myers should have camera in Avalon first part of next week. David Waishes reported that Avalon School had agreed to help with the cost of Well #1 repair.

Board went into Executive Session at 7:57 pm. Board returned from Executive Session at 8:36 pm. No action therefore no vote on legal brief concerning waste water treatment site or land appraisal. General Manager Designation was tabled. Jimmy Brown made a motion to discuss Avalon/HILCO contract further, second by Jeremy Langley, motion carried unanimously. Motion made by Jimmy Brown to accept and sign contract between Jesse Munguia Law Firm and Avalon, second by Jeremy Langley. Motion carried unanimously.

In open forum Gregg Rodriguez asked about attending next class, states he will use his own vehicle and supply gas and then will turn in paper work for reimbursement. The remaining charges class, room, meals he will use credit card spending no more than \$2000.

With there being no further business the meeting was adjourned at 8:56 pm with a motion by Jimmy Brown, second by Robin Donaldson. Motion carried unanimously.

APPROVED BY THE BOARD OF DIRECTORS THIS _____ DAY OF _____ 2012.

David Waishes, President

Robin Donaldson, Sec/Trea

AVALON001411

AVALON WATER AND SEWER SERVICE CORP

115 E Main
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AGENDA

Officers

David Waishes, President
Jimmy Brown, Vice President
Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimbish
Harrison Romero
Manuel Rodriguez
Jeremy Langley

Notice of Special Called Meeting for August 2012

To All Members:

A Special Called meeting of Avalon Water and Sewer Service Corporation for August 2012 will be held at the First Baptist Church, 206 Giles St., Avalon Texas, on Monday August 20, 2012 at 7:00 p.m.

The agenda for the meeting is as follows:

1. Call special meeting to order and determine a quorum
2. Discuss and act on repair of water storage tank
3. Discuss and act on repair of Well No. 1
4. Adjourn

AVALON001412

Avalon Water and Sewer Service Corp

BOARD OF DIRECTORS MEETING August 20, 2012

MINUTES

The Board of Directors of Avalon Water and Sewer Service Corporation met for a special called meeting on Monday August 20, 2012 at 7:00 PM at the First Baptist Church, 206 Giles St., Avalon Texas.

Directors present for this meeting were David Waishes, Jimmy Brown, Robin Donaldson, Denice Wimbish, Harrison Romero, Manuel Rodriguez and Jeremy Langley. Present from HILCO Electric Cooperative were Operations Manager Kent Smith and Debra Cole General Manager/CEO. Attorney Jesse Munguia was also present.

President David Waishes called the meeting to order at 7:00 PM and determined the presence of a quorum.


There were no visitors present.

Cate Welding had submitted a bid of \$15,000.00 to clean and restore all 3 rings at Well #2, Mr. Waishes contact Mr. Cate via telephone during the meeting and Mr. Cate agreed to lower the bid to \$14,500.00. Jimmy Brown made a motion to accept the \$14,500.00 bid contingent on the contractor submitting a new written bid, with a second by Manuel Rodriguez. Motion carried.

The board discussed Well No. 1 and the amount it would cost to continue providing water non potable water from the well site. Because of the lack of definite information on the total cost to repair the well Denice Wimbish made a motion to table the discussion to a later date and Manuel Rodriguez second. Motion carried.

APPROVED BY THE BOARD OF DIRECTORS THIS 11th DAY OF October, 2012.


David Waishes, President


Robin Donaldson, Secretary-Treasurer

AVALON001413

AVALON WATER AND SEWER SERVICE CORP

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AGENDA

Officers

David Waishes, President

Jimmy Brown, Vice-President

Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimbish

Harrison Romero

Manuel Rodriguez

Jeremy Langley

Notice of Monthly Meeting for September 2012

To All Members:

The regular meeting of Avalon Water and Sewer Service Corporation for September 2012 will be held at the First Baptist Church, 206 Giles St., Avalon, Texas, on Thursday September 13, 2012 at 7:00 p.m.

The agenda for the meeting is as follows:

1. Call meeting to order and determine presence of a quorum
2. Visitor's concerns and comments
 - Charla Sparks - High bill in November 2011
 - Todd Watson with J.L. Myers concerning Well #1
3. Review and approval of minutes of previous meeting August 9, 2012
4. Review and approval of repair invoices
5. Review and approval of financial report for payment of current expenses
6. Attorney's Report
7. President's Report
8. Sewer Update/Waste Water Treatment Plant Improvements
 - Purchase of Testing Kit
9. Managers Report/Water Update
 - Discuss and Act on Well #1 Repairs
10. Discuss and Act On HILCO Contract
11. Executive Session *minutes ↓ motion*
 - Legal brief concerning waste water treatment site
 - Land appraisal
 - General Manager designation
12. Open Forum
13. Adjourn

Dean req. notes to exec. session
Joey ask to table
paper work not complete he said

Joey
Rev. move
to the table

Dean Greg Joey went outside to have dis
AVALON001414

Avalon Water and Sewer Service Corp

Board of Directors Meeting September 13, 2012

MINUTES

The Board of Directors of Avalon Water and Sewer Service Corporation met for their regularly scheduled meeting at the First Baptist Church at 206 Giles St., Avalon, Texas 7:00 pm on Thursday September 13, 2012.

Directors present for this meeting were Jimmy Brown, Harrison Romero, Denice Wimbish, Jeremy Langley, Manuel Rodriguez. Avalon Employee Gregg Rodriguez and Jesse Munguia Attorney were also present. Present from HILCO Electric Cooperative was Debra Cole General Manager, Kent Smith Water Operations Manager and Abby Bason Water Customer Service Representative.

Meeting was called to order at 7:00p.m. by Board Vice-President Jimmy Brown determined the presence of a quorum.

There were two members present Marcia & Carol Gillespie. Also present Contractor Dean Carroll and Wendy Frank and Todd Watson with J.L. Myers.

Charla Sparks member that asked to be put on Agenda to discuss high bill did not show, so the discussion was tabled. Todd Watson explained the Myers bid and told Board they would do whatever the Board wanted them to do, but he recommended plugging the well. Denice Wimbish made a motion to table Well #1 repairs until they had a chance to look bid over, second Jeremy Langley. Motion carried unanimously.

Minutes of previous meeting of August 9, 2012 were approved with a motion by Jeremy Langley second by Manuel Rodriguez. Motion carried unanimously.

Harrison Romero made a motion to approve repair invoices, second by Jeremy Langley. Motion carried unanimously.

Jeremy Langley made a motion to approve the financial report for payment of current expenses, second by Manuel Rodriguez. Motion carried unanimously.

Attorney Jesse Munguia asked that Attorney's Report be moved into Executive Session, approved with a motion by Jeremy Langley, second by Denice Wimbish. Motion carried unanimously.

President David Waishes was not present to give President's Report.

Sewer Update/Waste Water Treatment Plant Improvements was tabled due to Dean Carroll not getting information to Board they had requested, Denice Wimbish made the motion and second by Harrison Romero. Motion carried unanimously. Manuel Rodriguez made a motion to purchase Testing Kit at a cost of \$350.00, second by Harrison Romero, this will be purchased at next training class Gregg attends.

AVALON001415

Kent Smith had nothing to add on Manager's Report/Water Update since Todd Watson had gone over bid for Well # 1 repairs.

HILCO GM Debra Cole went over HILCO Contract Memo to the Avalon Board of Directors dated September 4, 2012 as to HILCO will not renew the contract with Avalon Water and Sewer Service Corporation. There were questions from Jimmy Brown and Jesse Munguia regarding the HILCO contract and Ms. Cole explained the original amount of the contract was lowered at origination in 2000 because the Avalon Board had voted to retain employee Juan Rodriguez and he would perform more of the regular operation duties, and that was the procedure that had been followed for the past 12 years. It was also explained that the job description was adopted by the Avalon Board and it would be the duty of the HILCO Operations Manager to make sure Mr. Rodriguez received daily work orders and at that time they were sent via fax and HILCO had also provided Mr. Rodriguez with a phone to enable him to communicate with HILCO staff. Mr Brown also indicated he thought the management fee increase from \$2000.00 a month in the year 2000 to \$5,000.00 a month in 2012 was too high. Mr. Brown asked why records had been sent to the Board President and not the entire board and Ms. Cole explained per protocol if the Board President request something it is sent and if the Board wished to vote to direct HILCO that if the Board President requested something it should be sent to all board members that was a board decision. Mr. Brown inquired about a previous meeting that he was not in attendance of when the Avalon Board voted to employee help for Mr. Rodriguez to read the meters. He stated that he believed HILCO should have offered to assist. Ms. Cole advised that she was not in attendance of that meeting either so she could not comment but HILCO would have offered to assist if she had been aware. HILCO staff said the offer was made to assist, attorney Munguia indicated he recalled it was to assist with clearing brush and Mr. Rodriguez said it should have been to assist in reading meters as well when he was ill or out of town, but Mr. Rodriguez had not been at the meeting so he did not know and Mr. Munguia agreed that reading meters was included, and that is what the minutes reflected. Mr. Munguia and an Avalon Board Member said they did not recall the offer being made for HILCO to assist with the reading of the meters. The employee had not been hired due to the nepotism with a board member. Ms. Cole stated if the December 14, 2012 date was used that HILCO would prorate the monthly charge. It was recommended by Attorney Munguia that the contract stay in effect until November 30, 2012 and not the December 14, 2012 as offered by HILCO. It was decided and a motion made by Denice Wimbish to move remaining discussion on the HILCO Contract to Executive Session second by Jeremy Langley.

Jesse Munguia suggested going into Executive Session at 8:03 pm, at 8:30 pm returned out of Executive Session with Jesse Munguia stating that the items discussed fell under Attorney Client Privileges. Debra Cole will provide the Avalon Board with some suggested timelines for transition to new management prior to the next board meeting.

With there being no further business the meeting adjourned at 8:30 pm with a motion by Denice Wimbish, second by Manuel Rodriguez. Motion carried unanimously.

APPROVED BY THE BOARD OF DIRECTORS THIS 11th DAY OF October 2012.


David Waishes, President


Robin Donaldson, Sec/Trea

AVALON001416

AVALON WATER AND SEWER SERVICE CORP

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AGENDA

Officers

David Walshes, President
Jimmy Brown, Vice-President
Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimblish
Harrison Romero
Manuel Rodriguez
Jeremy Langley

Notice of Monthly Meeting for October 2012

To All Members:

The regular meeting of Avalon Water and Sewer Service Corporation for October 2012 will be held at the First Baptist Church, 206 Giles St., Avalon, Texas, on Thursday October 11, 2012 at 7:00 p.m.

The agenda for the meeting is as follows:

1. Call meeting to order and determine presence of a quorum
2. Visitor's concerns and comments
 - Charla Sparks - High bill in November 2011
 - Cinda Maples - \$20 late fee for being 12 hours late
 - Debra Wakeland - High bill due to leak (Thomas Baxter)
3. Review and approval of minutes of previous meeting September 13, 2012
4. Review and approval of repair invoices
5. Review and approval of financial report for payment of current expenses
 - CD renewal - matures on October 19, 2012
6. Attorney's Report
7. President's Report
8. Sewer Update/Waste Water Treatment Plant Improvements
9. Managers Report/Water Update
 - Discuss and Act on Well #1 Repairs
 - Meter set on Armstrong Road
10. Review and approval of August 20, 2012 Special Called Meeting
11. Confirm cease management transition timeline
12. Executive Session
 - Legal brief concerning waste water treatment site
 - Land appraisal
 - General Manager designation
13. Open Forum
14. Adjourn

AVALON001417

Avalon Water and Sewer Service Corp

Board of Directors Meeting October 11, 2012

MINUTES

The Board of Directors of Avalon Water and Sewer Service Corporation met for their regularly scheduled meeting at the First Baptist Church at 206 Giles St., Avalon, Texas 7:00 pm on Thursday October 11, 2012.

Directors present for this meeting were David Waishes, Jimmy Brown, Robin Donaldson and Denice Wimbish. Jesse Munguia Attorney was also present. Present from HILCO Electric Cooperative was Debra Cole General Manager, Kent Smith Water Operations Manager and Abby Bason Water Customer Service Representative.

Meeting was called to order at 7:00p.m. By Board President David Waishes and determined the presence of a quorum.

There were two members present Marcia & Carol Gillespie. Also present Contractor Dean Carroll and Wendy Frank and Kevin McDonald Attorney & Agent of Jesse Munguia.

Charla Sparks concern on high bill was dismissed due to lack of concern on member's part since she did not attend meeting when she had asked to be put on agenda, motion made by Jimmy Brown, second by Robin Donaldson. Motion carried unanimously. Cinda Maples request for \$20 late fee to be removed was denied, motion made by Jimmy Brown, second by Denice Wimbish. Motion carried unanimously. Debra Wakeland's request for adjust to her bill due to leak on customer's side, David Waishes had received a letter on this, Jesse Munguia will answer Ms. Wakeland's letter. Motion made by Jimmy Brown, second by Robin Donaldson, motion carried unanimously.

Jesse Munguia asked that Executive Session be moved up to number 3 position so Mr. Kevin McDonald could give his presentation to Board. Board went into Executive Session at 7:29 pm, out of Executive Session at 8:25 pm. Jesse Munguia advised discussion in Executive Session is under Attorney Client Privilege.

Minutes of previous meeting of September 13, 2012 were approved with a motion by Jimmy Brown second by Denice Wimbish. Motion carried unanimously.

Jimmy Brown made a motion to approve repair invoices, second by Robin Donaldson. Motion carried unanimously.

Jimmy Brown made a motion to approve the financial report for payment of current expenses, second by Robin Donaldson. Motion carried unanimously. Denice Wimbish made a motion to renew October 19, 2012 maturing CD for 24 months, seconded by Jimmy Brown, motion carried unanimously.

President David Waishes had nothing to add to President's Report.

AVALON001418

Dean Carroll advised that there was one violation issued and it had to do with making sewer rounds and writing down dates and times this was done. Mr. Carroll advised this has been addressed. Smoke test machine has been received (10-10-12), will need six people to do work for six-seven hours. Debra Cole with HILCO stated HILCO could send help and also mail notices but need specific information and contact telephone numbers as to when this will be done, Wendy Frank stated they could do notices. Jimmy Brown also said he could provide help.

Dean Carroll stated permit is not finished it has been on hold but looks like it will be the 75/90 rule, also need an Engineer. Information was given to Jesse Munguia.

Kent Smith asked about decision on Well #1 Repairs, Jimmy Brown made a motion to plug well, second by Robin Donaldson. Motion carried unanimously. Kent Smith advised Board about a request for a meter on Armstrong Road, hydraulic study has already been done and it stands at 39 PSI. Jimmy Brown made a motion to OK setting a meter on Armstrong Road, second by Denice Wimbish. Motion carried unanimously.

Minutes of Special Called Meeting of August 20, 2012 were approved with a motion by Jimmy Brown, second by Robin Donaldson. Motion carried unanimously.

Mrs. Cole went over the cease management transition timeline; Jimmy Brown made a motion to accept transition timeline, second by Robin Donaldson. Motion carried unanimously.

With there being no further business the meeting adjourned at 9:56 pm with a motion by Jimmy Brown, second by Robin Donaldson. Motion carried unanimously.

APPROVED BY THE BOARD OF DIRECTORS THIS 8 DAY OF Nov 2012.


David Waishes, President

Jimmy Brown - Vice-President


Robin Donaldson, Sec/Trea

AVALON001419

AVALON WSSC
SPECIAL MEETING MINUTES

10/16/2012

The Board of Directors of Avalon Water and Sewer Service Corporation met for a special meeting at the First Baptist Church at 206 Giles St., Avalon, Texas at 7:00 p.m. on Tuesday, October 16, 2012.

Meeting was called to order at 7:20 p.m. and presence of a quorum was determined.

Directors present were Harrison Romero, Manuel Rodriguez, Jeremy Langley and Denice Wimbish.

Harrison made a motion to hire K. J. McDonnell for the exit audit and budget analysis for Avalon WSSC. Manuel seconded the motion. Motion carried unanimously.

Manuel made a motion to appoint David Waishes as general manager of Avalon WSSC, with a max spending authority of \$5,000.00, without board approval, month to month. Jeremy seconded the motion. Motion carried unanimously.

Regarding replacement of Hilco as management for Avalon WSSC:

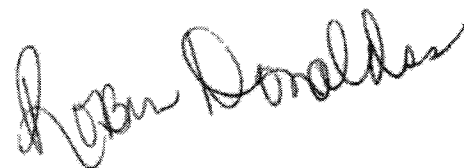
Denice made a motion that bids for admin will be taken by David Waishes beginning 10/16/2012 and end on or before 11/2/2012. Harrison seconded the motion. Motion carried unanimously.

Table discussion of CLE conference for water and sewer

Harrison made the motion to approve exist time line with Hilco.
Manuel seconded the motion. Motion carried unanimously.

Denice made a motion to adjourn, Harrison seconded the motion. Motion carried unanimously.

Meeting adjourned at 8:15 p.m.



AVALON WATER AND SEWER SERVICE CORP

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AGENDA

Officers

David Waishes, President
Jimmy Brown, Vice-President
Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimbish
Harrison Romero
Manuel Rodriguez
Jeremy Langley

Notice of Monthly Meeting for November 2012

To All Members:

The regular meeting of Avalon Water and Sewer Service Corporation for November 2012 will be held at the First Baptist Church, 206 Giles St., Avalon, Texas, on Thursday November 8, 2012 at 7:00 p.m.

The agenda for the meeting is as follows:

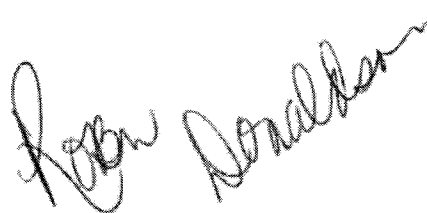
1. Call meeting to order and determine presence of a quorum
2. Visitor's concerns and comments
3. Review and approval of minutes of previous meeting October 11, 2012
4. Review and approval of repair invoices
5. Review and approval of financial report for payment of current expenses
6. Consider & Act On updated information on State Requirements for Eminent Domain
7. Attorney's Report
8. President's Report
9. Sewer Update/Waste Water Treatment Plant Improvements
10. Managers Report/Water Update
11. Review and approval of October 16, 2012 Special Called meeting
12. Review and approval of November 1, 2012 Special Called Meeting
13. Confirm cease management transition timeline
14. Executive Session
 - Legal brief concerning waste water treatment site
 - Land appraisal
 - General Manager designation
15. Open Forum
16. Adjourn

NO minutes

AVALON001421

AVALON WATER SEWER SERVICE CORPORATION
SPECIAL MEETING
November 1, 2012
First Baptist Church Avalon Annex

1. Meeting was called to order by Vice President Jimmy Brown at 7:00 p.m. Presence of quorum was determined. Board members present: Manuel Rodriguez, Harrison Romero, Denice Wimbish, Robin Donaldson and Jimmy Brown. Also attending, board attorney, Jesse Munguia, consultant- Dean Carrell and his assistant- Wendy Frank. Visitors attending - Carol Gillespie, Marcia Gillespie.
2. Dean Carrell presented a bid handout to board members for management of water system upon Hilco's exit as manager. The bid stated Dean and Wendy would each receive \$900.00, per month as salary. Complete bid handout available upon request from board members and attorney. Jimmy Brown also stated that Petra Bruner has expressed interest in being trained to do billing and manage a local office once transition is completed.
3. A motion was made to move agenda items #4 and #5 to be covered after executive session.
4. At 7:37 p.m. the board moved into executive session. The board moved out of executive session at 8:19 p.m. Executive session is covered under attorney client privilege.
5. Robin made a motion to accept the contract from Dean Carrell, while making good faith negotiation with the only material change being price per person for labor. Harrison second, motion carried unanimously.
6. Harrison made a motion to purchase RVS items as listed in handout from Dean Carrell, totaling \$6270.44. Denice second, motion carried. Motion made by Robin to strike the above motion, second Denice. Motion carried. Amount for purchase of RVS items did not include shipping. New motion made by Harrison, to purchase RVS items including shipping, second by Manuel. Motion carried.
7. Manuel made a motion to purchase a computer and printer/fax combo for water board office not to exceed \$2,000.00. Harrison second, motion carried.
8. There was discussion concerning purchase of cell phone for employee Gregg Rodriguez, since Hilco has supplied a phone in the past. A motion was made by Robin to table this item until more research on prices can be made. Second by Denice. Motion carried.
9. There was discussion concerning our present building and a site for the local water board office. Manuel made a motion to table discussion until next regular meeting, Denice second. Motion carried.
10. Robin made a motion to adjourn, Harrison second. Motion carried. Meeting adjourned at 8:50 p.m.



AVALON001422

AVALON WATER AND SEWER SERVICE CORP

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AGENDA

Officers

David Waishes, President
Jimmy Brown, Vice-President
Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimbish
Harrison Romero
Manuel Rodriguez
Jeremy Langley

Notice of Monthly Meeting for December 13 2012

To All Members:

The regular meeting of Avalon Water and Sewer Service Corporation for December 2012 will be held at the First Baptist Church, 206 Giles St., Avalon, Texas, on Thursday December 13, 2012 at 7:00 p.m. The governing body of Avalon Water and Sewer Service Corporation reserves the right to adjourn into closed/executive session at any time during the course of this meeting to discuss any of the matters listed in this agenda, in the order deemed appropriate, and authorized by Texas Government Code 551, or to seek the advice of an attorney on any matter in which the duty of the attorney to Avalon Water and Sewer Service Corporation board under Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Texas Government Code Chapter 551 or as otherwise may be permitted under 551

The agenda for the meeting is as follows:

1. Call meeting to order, determine presence of a quorum, and declare notices legally posted pursuant to Open Meetings Act.
2. Visitor's concerns and comments
3. Review and approval of Dean Carrell's water contract
4. Discuss and act on renewal of Dean Carrell's wastewater contract
5. Review and approval of minutes of previous meeting November 8, 2012
6. Review and approval of repair invoices
7. Review and approval of financial report for payment of current expenses
8. Request from Jimmy Brown for water refund at rental houses at 403 E. Hwy 34 and 108 Sissom
9. Consider and Act upon cancelling \$30 data package on Gregg's personal cell phone.
10. Attorney's Report
11. President's Report
12. Sewer Update/Waste Water Treatment Plant Improvements
13. Managers Report/Water Update
14. Executive Session
 - Legal brief concerning waste water treatment site
 - Land appraisal
 - General Manager designation
 - Government Code 551.074 Personnel Matter
15. Open Forum
16. Adjourn

No minutes

AVALON001423

AVALON WATER AND SEWER SERVICE CORP

PO Box 70

Avalon, Texas 76623
Phone: 972-627-0044

AGENDA

Officers

David Waishes, President

Jimmy Brown, Vice-President

Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimbish

Harrison Romero

Manuel Rodriguez

Jeremy Langley

Notice of Monthly Meeting for January 10, 2013

To All Members:

The regular meeting of Avalon Water and Sewer Service Corporation for January 2013 will be held at the First Baptist Church, 206 Giles St., Avalon, Texas, on Thursday January 10, 2013 at 7:00 p.m. The governing body of Avalon Water and Sewer Service Corporation reserves the right to adjourn into closed/executive session at any time during the course of this meeting to discuss any of the matters listed in this agenda, in the order deemed appropriate, and authorized by Texas Government Code 551, or to seek the advice of an attorney on any matter in which the duty of the attorney to Avalon Water and Sewer Service Corporation board under Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Texas Government Code Chapter 551 or as otherwise may be permitted under 551

The agenda for the meeting is as follows:

1. Call meeting to order, determine presence of a quorum, and declare notices legally posted pursuant to Open Meetings Act.
2. Visitor's concerns and comments
3. Review and approval of minutes of previous meeting December 13., 2012
4. Review and approval of repair invoices
5. Review and approval of financial report for payment of current expenses
6. Review and approve special meeting
7. Discuss and act on Creek Land and Cattle water tap fee's on Jack Easton road
- 8.
9. President's Report
10. Sewer Update/Waste Water Treatment Plant Improvements
11. Managers Report/Water Update
12. Discuss status of office relocation and new billing process
13. Executive Session (if required)
14. Open Forum
15. Adjourn

AVALON001424

AVALON WATER AND SEWER SERVICE CORPORATION

**BOARD OF DIRECTORS MEETING
JANUARY 10, 2013**

MINUTES

The Board of Directors of Avalon Water and Sewer Service Corporation met for their regularly scheduled meeting at the First Baptist Church, Avalon, Texas 7:00 p.m. on Thursday, December 13, 2012.

Directors present for this meeting were David Waishes, Jimmy Brown, Robin Donaldson, Denice Wimbish, Manuel Rodrigues, and Jeremy Langley.

President David Waishes called the meeting to order at 7:00 p.m. and Jimmy Brown determined the presence of a quorum.

Visitors present were Mary Bates and Carol Gillespie. Also present were Dean Carrell, Wendy Frank, Clint McCasland, and Jacob Hopkins, and Jesse Munguia, and Maria Estrada.

Resident Maria Estrada spoke to the board regarding water bill concerns, and overcharges on the sewer. Board assured her that the issue would be resolved, and an adjustment would be made to her bill to correct the error.

After reviewing the minutes from the December 2012 meeting, a motion was made by Jimmy Brown and seconded by Manuel Rodriguez to table approval of the minutes until some errors in wording were corrected. Motion passed unanimously.

The financial reports for December 2012 and January 2013 were reviewed. Motion was made by Jimmy Brown to approve the financial report for December. Motion was seconded by Manuel Rodriguez. Motion passed unanimously. A separate motion was made by Jimmy Brown to approve the financial report for January. Motion was seconded by Manuel Rodriguez. Motion passed unanimously.

A motion was made by Jimmy Brown to table the refund request for his rental properties at 108 Sissom and 403 E. Hwy 34 until research could be done on the matter, and the amount of refunds could be determined, if any.

A motion was made to table the matter of previous payment arrangements made by customer Susan Snellings with HILCO, until research could be done on how much the balance is on the charges, and any documentation supporting these arrangements.

The board discussed the resignation of attorney Jesse Munguia, per the letter submitted to the board on December 15, 2012. Per the terms of the contract between the board and Jesse Munguia, the final day of counsel will be February 15, 2013. Jesse advised that the details of the resignation should be moved to executive session. Motion was made nby Jimmy Brown to accept Jesse's resignation. Motion was seconded by Manuel Rodriguez. Motion passed unanimously.

President David Waishes commented during the President's Report that the transition of the water billing system is under control. He stated that there will be no harm to the customers during this transition time. David also stated that he appreciates all the efforts from everyone during the last couple of months.

Dean Carrell stated that the wastewater plant is working very well. Well enough that small problems can be noticed with ease now. He mentioned that there are some changes that will need to be made, and would like to add phosphates to the system to help reinforce parts of the system to make it last longer. It is a less expensive way to maintain the plant than going in right now and replacing parts. Dean also notified the board of an upcoming TCEQ inspection that is scheduled for January 24. Gregg Rodriguez commented that the excessive rain over the past couple of days increased the amounts of water in the ponds, almost to capacity.

Gregg Rodriguez stated to the board that there were no major problems with the water system. There had been a small power outage during the rain, but it did not create any problems for the water department.

President David Waishes commented on the water billing, and the consideration of hiring a part time person to work 4 hours a day. He would like to see the board form a committee to look at resumés. David also stated that this would be a transition period until a person has been trained.

During open forum, Vice President Jimmy Brown mentioned a collapsed sewer line between PSC and Avalon's system, and that the problem could possibly be on Camarino's property, and that it needs to be checked out to see where repairs need to be made, and who is responsible for the repairs.

The board went into executive session at 8:00 p.m.

The board reconvened into regular session at 8:23 p.m. No action was necessary due to details being attorney/client privileged.

During a second open forum, there were no comments or concerns.

A motion was made by Robin Donaldson to adjourn at 8:24 p.m.. The motion was seconded by Denice Wimbish, and passed unanimously.

David Waishes

Robin Donaldson

AVALON001426

AVALON WATER AND SEWER SERVICE CORP

PO Box 70

Avalon, Texas 76623
Phone: 972-627-0044

AGENDA

Officers

David Walshes, President
Jimmy Brown, Vice-President
Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimbish
Harrison Romero
Manuel Rodriguez
Jeremy Langley

Notice of Monthly Meeting for February 14, 2013

To All Members:

The regular meeting of Avalon Water and Sewer Service Corporation for February 2013 will be held at the First Baptist Church, 206 Giles St., Avalon, Texas, on Thursday February 14, 2013 at 7:00 p.m. The governing body of Avalon Water and Sewer Service Corporation reserves the right to adjourn into closed/executive session at any time during the course of this meeting to discuss any of the matters listed in this agenda, in the order deemed appropriate, and authorized by Texas Government Code 551, or to seek the advice of an attorney on any matter in which the duty of the attorney to Avalon Water and Sewer Service Corporation board under Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Texas Government Code Chapter 551 or as otherwise may be permitted under 551

The agenda for the meeting is as follows:

1. Call meeting to order, determine presence of a quorum, and declare notices legally posted pursuant to Open Meetings Act.
2. Visitor's concerns and comments
3. Review and approve minutes of special meeting held January 2013
4. Review and approval of minutes of previous meeting January 2013
5. Review and approval of repair invoices
6. Review and approval of financial report for payment of current expenses
7. Discuss and act on Creek Land and Cattle water tap fee's on Jack Easton road
8. President's Report
9. Managers report on Water and Waste Water treatment plant update
10. Discuss and take action on Board Member Elections
11. Discuss and take action on Board Member effective and termination dates
12. Discuss and take action on payment arrangements with past due customers
13. Discuss and take action on water department procedures
14. Discuss and take action on Wendy Franks payroll compensation
15. Discuss and take action on Gregg returning to work and workers comp claim
16. Discuss and take action on Web site creation and email address
17. Discuss and take action on setting up online banking and procedures
18. Discuss and take action on hiring office personal
19. Executive Session (if required)
20. Open Forum
21. Adjourn

AVALON001427

AVALON WATER AND SEWER SERVICE CORPORATION

BOARD OF DIRECTORS MEETING

FEBRUARY 14, 2013

MINUTES

1. Call meeting to order, determine presence of a quorum, and declare notices legally posted pursuant to Open Meetings Act.
 - The Board of Directors of Avalon Water and Sewer Service Corporation met for their regularly scheduled meeting at the First Baptist Church, Avalon, TX 7:00 pm on Thursday, February 14, 2013.
 - President David Waishes called the meeting to order at 7:00 pm and determined the presence of a quorum
 - Directors present for this meeting were David Waishes, Jimmy Brown, Robin Donaldson, Denice Wimbish, Not Present were Manuel Rodriguez and Jeremy Langley.
 - Visitors present were Patsy Russell, Carol Gillespie, Marcia Gillespie Oscar Palacios, and also present were Dean Carrell, Becky Boyd, Greg Rodriguez, and Clint McCasland.
2. Visitor's concerns and comments.
 - Patsy Russell spoke to the board regarding water bill concerns, and overcharges on the sewer. Board assured the visitors that the issue would be resolved.
3. Review and approve minutes of special meeting held January 2013.
 - Meeting minutes from Special Meeting were not available at this meeting. Item was tabled until a future meeting.
4. Review and approval of meeting minutes of previous meeting January 2013.
 - Attendees read the minutes from the last meeting. Jim Brown made a motion to approve the minutes of the January 2013 meeting, seconded by Robin Donaldson. Motion passed unanimously.
5. Review and approval of repair invoices

AVALON001428

- The repair invoice for January 2013 were reviewed. Motion was made by Jim Brown to approve the repair invoices, motion was seconded by Robin Donaldson. Motion passed unanimously.
6. Review and approval of financial report for payment of current expenses.
 - The financial report for payment of current expenses was reviewed and a motion was made by Jim Brown to approve the financial report for payment of current expenses for January 2013, motion seconded by Robin Donaldson. Motion passed unanimously.
 7. Discuss and act on Creek Land and Cattle water tap fees on Jack Easton road
 - Dean Carrell discussed a contractor doing work on this property request for a grievance for the fee to put in master taps in the same houses he is building. Motion was made that since Creek Land and Cattle was not present to plead his case the board would take no action or discuss this agenda item.
 8. President's Report
 - David Waishes stated the he was happy to see that Gregg Rodriguez was doing well.
 - Waishes also stated that the residents were working with us regarding the transition.
 - Waishes stated that Dean Carrell and Rodriguez needed to work on work safety protocols and attempt to get something in writing in place for current and future employees who work in the field
 9. Managers Report on Water and Waste Water treatment plants update
 - Dean Carrell discussed the Directors Report and explained that it is a basic overview of what is going on with the water.
 - Carrell advised the board that late fees in February were waived
 - Carrell also explained that the waste water treatment plant was operating well. TCEQ noted no violations
 - Carrell also advised the board that we had received some water bills back in the mail due to incorrect address.
 10. Discuss and take action on Board Member Elections
 - A motion was made to table the matter of Board Member Elections by Jim Brown. Motion was seconded by Robin Donaldson. Motion passed unanimously
 11. Discuss and take action on Board Member effective dates and termination dates

- Jimmy Brown made a motion to table this item. Seconded by Robin Donaldson. Approved unanimously
12. Discuss and take action on payment arrangements with past due customers
 - Discussed that the Corporation should mail all bills on or about the first working day of the month and all bills should be paid on the 18th of every month. On the 19th late fees will be in place. If payment is then not received customer's service will be terminated in 15 days. Discussed that customer payment arrangements will be taken on a case by case basis.
 13. Discuss and take action on water department procedures
 - Carrell stated that the Water Department needs procedures put into place for training and organizational purposes. A motion was made to take action on creating water department procedures by Jim Brown. Motion was seconded by Robin Donaldson and motion passed unanimously.
 14. Discuss and take action on Wendy Frank's payroll compensation
 - Motion was made by Jim Brown to issue payment for the 15 day period that Frank worked in January. Seconded by Denise Wimbish and approved unanimously.
 15. Discuss and take action on Gregg Rodriguez returning to work and workers comp claim
 - Board discussed what duties Rodriguez could perform while on light duty. Also informed Rodriguez that he should keep a binder with copies of all medical documentation. Motion was made by Jimmy Brown that Rodriguez would perform line locates, residuals, check meter readings, and coordinate dig test and not to work over 23 days and seconded by Robin Donaldson. Motion passed unanimously.
 16. Discuss and take action on Web site creation and email address
 - Board stated that the office personal should obtain more detailed information regarding this.
 17. Discuss and take action on setting up online banking and procedures
 - Motion was made by Jimmy Brown to set up the online banking account with First State Bank. Motion seconded by Denise Wimbish and approved unanimously.
 18. Discuss and take action on hiring office personnel

- A motion was made to take action on hiring office personnel by Jimmy Brown. Motion as seconded by Robin Donaldson. Motion passed unanimously.

19. Executive Session (if required)

- No session

20. Open Forum

- During the open forum, there was a question of establishing a work order system.

21. Adjourn

- A motion was made by David Waishes to adjourn. The motion was seconded by Robin Donaldson and passed unanimously.

AVALON WATER AND SEWER SERVICE CORP

PO Box 70

Avalon, Texas 76623
Phone: 972-627-0044

AGENDA

Officers

David Waishes, President
Jimmy Brown, Vice-President
Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimbish
Manuel Rodriguez
Jeremy Langley

Notice of Monthly Meeting for March 14, 2013

To All Members:

The regular meeting of Avalon Water and Sewer Service Corporation for March 2013 will be held at the First Baptist Church, 206 Giles St., Avalon, Texas, on Thursday March 14, 2013 at 7:00 p.m. The governing body of Avalon Water and Sewer Service Corporation reserves the right to adjourn into closed/executive session at any time during the course of this meeting to discuss any of the matters listed in this agenda, in the order deemed appropriate, and authorized by Texas Government Code 551, or to seek the advice of an attorney on any matter in which the duty of the attorney to Avalon Water and Sewer Service Corporation board under Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Texas Government Code Chapter 551 or as otherwise may be permitted under 551

The agenda for the meeting is as follows:

1. Call meeting to order, determine presence of a quorum, and declare notices legally posted pursuant to Open Meetings Act.
2. Visitor's concerns and comments
3. Review and approval of special meeting (January 21, 2013)
4. Review and approval of previous meeting February 2013
5. Review and approval of repair invoices
6. Review and Discuss Government Capitol Fund Assessment Program
7. Review and approval of financial report for payment of current expenses
8. Discuss and act on Creek Land and Cattle water tap fee's on Jack Easton Road
9. President's Report
10. Sewer and Water Update
11. Manager's Report
12. Discuss and take action on Board Member Elections
13. Discuss and take action on Board Member effective and termination dates
14. Discuss and take action on Annual meeting (timeline, date and election)
15. Discuss and take action on Appointment to fill Harrison Romero's vacancy
16. Executive Session (if required)
17. Open Forum
18. Adjourn

AVALON001432

AVALON WATER AND SEWER SERVICE CORPORATION

BOARD OF DIRECTORS MEETING

MARCH 14, 2013

MINUTES

1. Call meeting to order, determine presence of a quorum, and declare notices legally posted pursuant to Open Meetings Act.
 - The Board of Directors of Avalon Water and Sewer Service Corporation met for their regularly scheduled meeting at the First Baptist Church, Avalon, TX at 7:00 pm on Thursday, March 14, 2013.
 - President David Waishes called the meeting to order at 7:00 pm and determined the presence of a quorum
 - Directors present for this meeting were David Waishes, Robin Donaldson, Denice Wimbish, Manuel Rodriguez. Not Present were Jimmy Brown and Jeremy Langley.
 - Visitors present were Patty Hernandez, Carol Gillespie, Marcia Gillespie Oscar Palacios, and also present were Dean Carrell, Sandra Carrell, Becky Boyd, and Clint McCasland.

2. Visitor's concerns and comments.
 - Patty Hernandez spoke to the board regarding water bill concerns for the Avalon ISD. In regards to the late fees being waived. The Board assured the school representative that the late fee issue had already been addressed and that the school would be exempted from late fees, due to the fact that the School Board must approve all bills before payment is issued.

3. Review and approve minutes of special meeting held January 21, 2013.
 - Motion was made to approve the meeting minutes from Special Meeting with no changes by Denice Wimbish and seconded by Robin Donaldson. Motion passed unanimously.

4. Review and approval of meeting minutes of previous meeting February 2013.
 - Board members read the minutes from the last meeting. Denice Wimbish made a motion to table the approval of these minutes until the April 2013 meeting as corrections needed to be made, motion was seconded by Robin Donaldson. Motion passed unanimously.

5. Review and approval of repair invoices.
 - The repair invoices were discussed. It was decided that these invoices were not true contractor invoices. These should be approved on a job by job basis in the future. The Board decided to remove this agenda item for future meetings unless Contractor's Invoices became a routine occurrence. No further action was taken or required.

6. Review and discuss Government Capitol Fund Assessment Program.
 - Dean Carrell informed the Board that he had been to TCEQ in Austin and discussed grant opportunities. TCEQ advised that only two contractors were approved for grant projects. A free assessment of the water and sewer system needed be conducted to determine what AWSSC's current situation is. This would include the infrastructure, wells, minerals found therein, wastewater treatment plant, administration, finances, audits, etc. AWSSC would then be able to apply for a grant. TCEQ informed that depending upon the outcome of this assessment some grants could be approved 100%. Motion was made by Denice Wimbish to pursue this and seconded by Robin Donaldson. Motion passed unanimously.

7. Review and approval of financial report for payment of current expenses.
 - Board reviewed the spreadsheet regarding the checking account and bank balance as of this meeting. Becky Boyd advised the Board that the Checkbook was in balance and that the Online Banking was a very useful tool in determining the balance at any given time.
 - Becky Boyd requested direction from the Board in regards to two accounts that currently had Realtors signs posted on the property. Were vacant properties still subject to a minimum billing regardless of usage amounts. Board advised that this was true per the current Tariff. Vacant properties are still subject to minimum billing. Board advised the office staff to contact these realtors and inform them that water transfer from the current owner to a buyer would not occur until the past due on these accounts was compensated. Motion made by Robin Donaldson, seconded by Denise Wimbish. Motion passed unanimously.
 - The financial report for payment of current expenses was reviewed and a motion was made by Denice Wimbish to approve the financial report for payment of current expenses for March 2013, motion seconded by Robin Donaldson. Motion passed unanimously.

8. Discuss and act on Creek Land and Cattle water tap fees on Jack Easton road

- Dean Carrell informed this contractor that he was liable for the full tap fees in regards to this property.
9. President's Report
- David Waishes informed the Board of Dean Carrell's contract and that funds were incorporated into this contract to cover the expense of the office personnel's payroll. Carrell will be in charge of this expense from now until his contract expires.
 - Carrell also inform the President that Capital Improvement Plans and various others needed to be addressed in the near future and put into practice.
10. Sewer and Water update.
- Carrell discussed the On-Call phone and explained to the Board how this worked.
 - Carrell informed the Board that there were pump issued at the race track. They did not seem to be getting the correct voltage. He will be checking into this.
 - The fire hydrant on Sissom needed to major repairs. Parts are approximately \$600. Carrell will obtain estimates for this repair.
11. Manager's Report
- This item will be combined with Agenda Item # 9 for future meetings
12. Discuss and take action of Board Member Elections
- Terms for Denice Wimbish and Manuel Rodriguez are ending June 2013.
 - Becky Boyd informed the Board that postage rates would be increasing. Election information needed to be in the mail so that this increased rate would not have to be paid. Also inform the Board that only 4 sheets could be mailed at the \$0.45 rate.
 - Motion made to mail the notices for the annual meeting by Manuel Rodriguez and seconded by Denise Wimbish. Motion passed unanimously.
13. Discuss and take action on Board Member effective and termination dates
- Denise Wimbish and Manuel Rodriguez's terms will expire on June 2013. (these were three year terms)
 - David Waishes, Jim Brown, and Jeremy Langley's terms will expire in June 2014.
 - Harrison Romero and Robin Donaldson's terms will expire in June 2015
 - Discussed no action taken
14. Discuss and take action on Annual meeting (timeline, date and election)

- Motion was made to delay the annual meeting until the first week of June 2013 by Manuel Rodriguez and seconded by Denise Wimbish. Motion passed unanimously.

15. Discuss an act on Appointment to fill Harrison Romero's vacancy

- Board discussed appointing Ricky Johnston to fill the vacant seat of Harrison Romero. Johnston was present at this meeting and agreed to serve the remainder of this term if the Board approved him. Motion made by Robin Donaldson to fill the vacant seat of Harrison Romero with Ricky Johnston. Seconded by Manuel Rodriguez. Motion passed unanimously.

16. Executive Session (if required)

- No session

17. Open Forum

- Becky Boyd asked the Board when the fiscal year begins and ends. Board advised that they believed the Fiscal Year ends on October 31st however this information should be verified with the auditors.
- Boyd asked the Board if late fees, disconnects and reconnects would be in effect this billing cycle. The Board advised that the new system was online and that all regular billing practices would be observed henceforth.
- Boyd asked the Board if the 15 day grace period was the norm. Board advised that the grace period after due date per the tariff is 10 days. Therefore making disconnect day the 28th unless this day falls on a Friday, holiday or weekend, Should this occur the next regular business day will become disconnect day.
- Boyd asked the Board who would be in charge of approving Credit application for the corporation. These are to be forwarded to Robin Donaldson on an as needed basis.
- Boyd asked the Board who would be in charge of approving any adjustments to accounts or waiving of any fees. David Waishes advised that only he or Jim Brown would have the authority to remove fees. These issues would be addressed on a case by case basis.

18. Adjourn

- Motion made to adjourned at 8:37pm by Robin Donaldson and seconded by Denise Wimbish. Motion passed unanimously.

David Waishes
President
4/11/2013

4

Robin Donaldson
Secy
4/11/2013
AVALON001436

AVALON WATER AND SEWER SERVICE CORP

PO Box 70

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AGENDA

Officers

David Waishes, President

Jimmy Brown, Vice-President

Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimbish

Ricky Johnston

Manuel Rodriguez

Jeremy Langley

Notice of Monthly Meeting for April 11, 2013

To All Members:

The regular meeting of Avalon Water and Sewer Service Corporation for April 2013 will be held at the First Baptist Church, 206 Giles St., Avalon, Texas, on Thursday April 11, 2013 at 7:00 p.m. The governing body of Avalon Water and Sewer Service Corporation reserves the right to adjourn into closed/executive session at any time during the course of this meeting to discuss any of the matters listed in this agenda, in the order deemed appropriate, and authorized by Texas Government Code 551, or to seek the advice of an attorney on any matter in which the duty of the attorney to Avalon Water and Sewer Service Corporation board under Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Texas Government Code Chapter 551 or as otherwise may be permitted under 551

The agenda for the meeting is as follows:

1. Call meeting to order, determine presence of a quorum, and declare notices legally posted pursuant to Open Meetings Act.
2. Visitor's concerns and comments
3. Review and approval of February 14, 2013 meeting minutes
4. Review and approval of regular meeting minutes for March 14, 2013
5. Review and approval of financial report for payment of current expenses
6. Discuss and act on any changes for annual meeting
7. President's Report
8. Sewer and Water Update
9. Discuss and act on Reimbursement for Jim Brown's properties
10. Executive Session (if required)
11. Open Forum
Adjourn

AVALON001437

**AVALON WATER AND SEWER SERVICE CORPORATION
BOARD OF DIRECTORS MEETING**

APRIL 11, 2013

MINUTES

1. Call meeting to order, determine presence of a quorum, and declare notices legally posted pursuant to Open Meetings Act.
 - The Board of Directors of Avalon Water and Sewer Service Corporation met for their regularly scheduled meeting at the First Baptist Church, Avalon, TX at 7:00 pm on Thursday, April 11, 2013.
 - President David Waishes called the meeting to order at 7:00 pm and determined the presence of a quorum
 - Directors present for this meeting were David Waishes, Robin Donaldson, Denice Wimbish, Ricky Johnston, Manuel Rodriguez. Not Present were Jimmy Brown and Jeremy Langley.
 - Visitors present were Carol Gillespie, Marcia Gillespie, Juan Balderas and spouse, and also present were Dean Carrell, Sandra Carrell, Becky Boyd, and Gregg Rodriguez.

2. Visitor's concerns and comments.
 - Juan Balderas spoke to the board regarding water bill concerns for his house. The Board, office and field personnel informed Balderas that the meter had been sent to be tested. The bill that he was questioning would stand as is until the results of the testing had been received. Once the calibration sheet was received it would determine whether the meter was reading correctly or not. Late fees would not be charged on the account as long as it was current. A minimum water bill is still due each month. The Board will revisit this issue once the results of the testing were received.

3. Review and approval of February 2013 meeting minutes.
 - Board members read the minutes from the last meeting. Manuel Rodriguez made a motion to approval of the minutes. Motion was seconded by Denise Wimbish. Motion passed unanimously.

4. Review and approval of regular meeting minutes March 14, 2013