

Please label each attachment with the number of the pertinent application section (i.e. "Part H5")

Part H. Disadvantaged Business Enterprise Requirements

All Drinking Water and Clean Water Tier III applicants must complete this section.

All project costs funded by the TWDB through DWSRF or CWSRF Tier III must comply with the federal, Disadvantaged Business Enterprise (DBE) program rules. The federal DBE program requires a good faith effort to contract with DBE's. DBE good faith efforts apply to all procurements necessary for the project, including professional services and consulting contracts, cost of issuance, etc. All Project contracts for goods and services funded by federal loan dollars, must comply with DBE program requirements. Guidance and forms are found at DBE-0650 (<http://www.twdb.state.tx.us/pubs/dbe-0650>)

Attach the Applicant Affirmative Steps Certification and Goals (WRD-215 – <http://www.twdb.state.tx.us/pubs/wrd-215>)

Item attached Yes ☐ No ☐

H1 **Attach** the Affirmative Steps Solicitation Report if you have already hired contractors. (WRD-216 – <http://www.twdb.state.tx.us/pubs/wrd-216>)

Item attached Yes ☐ No ☐

H2 **Attach** the Prime Contractor Affirmative Steps Certification and Goals. (WRD-217 – <http://www.twdb.state.tx.us/pubs/wrd-217>)

Item attached Yes ☐ No ☐

H3 **Attach** the Loan/Grant Participation Summary. (WRD-373 – <http://www.twdb.state.tx.us/pubs/wrd-373>)

Item attached Yes ☐ No ☐

H4 **Attach** the DBE Subcontractor Participation. (DBE-6102 – <http://www.twdb.state.tx.us/pubs/dbe-6100-2>)

Item attached Yes ☐ No ☐

H5 **Attach** the DBE Subcontractor Performance. (DBE-6103 – <http://www.twdb.state.tx.us/pubs/dbe-6100-3>)

Item attached Yes ☐ No ☐

H6 **Attach** the DBE Subcontractor Utilization. (DBE-6104 – <http://www.twdb.state.tx.us/pubs/dbe-6100-4>)

Item attached Yes ☐ No ☐

Part I. Summary of attachments to application

Following is a list of the documents that may be necessary in order to process this application. While not all of the listed information below may be required for all projects, an applicant should review the application carefully because incomplete applications will not be processed until all of this information has been provided. Contact the TWDB's Project Leads with any questions. In addition, please make sure your entity system name appears on every attachment. **Label each attachment with the number of the pertinent application section (i.e. "Part B5").**

Part A	General Information
No. A9	Refinancing documentation
Part B	Financial
No. B2	Five year comparative system operating statement.
No. B4	Water and wastewater rate structure for last three years.
No. B6	Annual audit and management letter from C.P.A
No. B10	Outstanding debt
No. B11	Direct and Overlapping Tax Table
No. B13	Last five years of Assessed Values by Classifications
No. B15	Pro-forma
Part C	Legal
No. C4	Resolution/ordinance authorizing the issuance of parity debt.
No. C5	Resolution (WRD-201a – http://www.twdb.state.tx.us/pubs/wrd-201a)
No. C6	Application Affidavit (WRD-201 – http://www.twdb.state.tx.us/pubs/wrd-201)
No. C7	Certificate of Secretary (WRD-201b – http://www.twdb.state.tx.us/pubs/wrd-201b)
No. C8	Draft or executed consulting contracts (engineering, financial advisor, bond counsel)
No. C9	a. Articles of Incorporation b. Certificate of incorporation from the Texas Secretary of State c. By-laws and any amendments d. Certificate of status from the Texas Secretary of State e. Certificate of account status from Texas Comptroller
No. C10	If applicant has property rights and permits a. WRD-208A (http://www.twdb.state.tx.us/pubs/wrd-208a) (Surface Water) b. WRD-208B (http://www.twdb.state.tx.us/pubs/wrd-208b) (Groundwater)
No. C11	Certificate of Convenience & Necessity
No. C12	Site certificate, evidencing land ownership for the project. (ED-101 – http://www.twdb.state.tx.us/pubs/ed-101)
No. C13	Lobbying Activities (WRD-213 – http://www.twdb.state.tx.us/pubs/wrd-213)
No. C14	Service provider contractors
No. C15	Enforcement Actions
Part D	Engineering
No. D1	Preliminary Engineering Feasibility Report (PEFR) and Budget (TWDB-1201 – http://www.twdb.state.tx.us/pubs/twdb-1201) EDAP Planning Phase – Facility Engineering Plan/Scope of Services (WRD-023A – http://www.twdb.state.tx.us/pubs/wrd-023a)
No. D1c	Project Draw Schedule (TWDB-1202 – http://www.twdb.state.tx.us/pubs/twdb-1202)
No. D2	Engineering Feasibility Report Water (TWDB-0555 – http://www.twdb.state.tx.us/pubs/twdb-0555) Wastewater (TWDB-0556 – http://www.twdb.state.tx.us/pubs/twdb-0556)
No. D3	Wastewater Project Information Form (WRD-253a – http://www.twdb.state.tx.us/pubs/wrd-253a)
No. D4	Water Project Information Form (WRD-253d – http://www.twdb.state.tx.us/pubs/wrd-253d)
No. D5	Preaward Compliance Review Report (EPA-4700-4 – http://www.twdb.state.tx.us/pubs/epa-4700-4)

- No. D6 Certification Regarding Debarment, Suspension and Other Responsibility Requirements (SRF-404 – <http://www.twdb.state.tx.us/pubs/srf-404>)
- No. D7 Plans and specs
- EDAP/CWTAP Special Contract (TWDB-0553 – <http://www.twdb.state.tx.us/pubs/twdb-0553>)
 - CWSRF Tier III and DWSRF (TWDB-0550 – <http://www.twdb.state.tx.us/pubs/twdb-0550>)
 - CWSRF Tier II (TWDB-0551 – <http://www.twdb.state.tx.us/pubs/twdb-0551>)
 - State Loan Projects (TWDB-0552 – <http://www.twdb.state.tx.us/pubs/twdb-0552>)
- No. D8 Texas Pollution Discharge Elimination System Permit
- No. D10 Assurances – Construction Programs (EPA-424D – <http://www.twdb.state.tx.us/pubs/epa-424d>)
- No. D12 Designated Management Agency (WRD-210 – <http://www.twdb.state.tx.us/pubs/wrd-210>)
- No. D13 EDAP applicants
- a. Inadequacy documentation
 - b. Financial resources documentation
 - d. Existence of residences prior to 06/01/2005
- No. D14 Public health nuisance
- No. D15 Plats
- No. D16 PAD budget
- Part E Environmental**
- No. E2 Categorical Exclusion (CE) or a Finding of No Significant Impact (FONSI)
- No. E3 TWDB affirmation resolution
- No. E4 Environmental Impact Statement
- No. E5 Record of Decision
- No. E6 Categorical Exclusion
- No. E7 Guidelines for Environmental Assessment (EA) or Environmental Information Document (EID)
- No. E8 Additional Environmental Permits, Registrations, Licenses and Authorizations
- No. E9 Social or environmental issues
- Part F Planning and Water Conservation Plan**
- No. F1 Two copies of the Water Conservation Plan (WRD-022 – <http://www.twdb.state.tx.us/pubs/wrd-022> and WRD-264 – <http://www.twdb.state.tx.us/pubs/wrd-264>)
- No. F3 Water use surveys
- No. F4 Water Loss Audit
- Part G Green Projects**
- No. G3 Business Case (TWDB-0161 – <http://www.twdb.state.tx.us/pubs/twdb-0161>)
- Part H Disadvantaged Business Requirements**
(DBE-0650 – <http://www.twdb.state.tx.us/pubs/dbe-0650>)
- o Affirmative Steps Certification and Goals (WRD-215 – <http://www.twdb.state.tx.us/pubs/wrd-215>)
 - o Affirmative Steps Solicitation Report (WRD-216 – <http://www.twdb.state.tx.us/pubs/wrd-216>)
 - o Prime Contractor Affirmative Steps Certification and Goals (WRD-217 – <http://www.twdb.state.tx.us/pubs/wrd-217>)
 - o Loan/ Grant Participation Summary (WRD-373 – <http://www.twdb.state.tx.us/pubs/wrd-373>)
 - o DBE Subcontractor Participation (DBE-6100-2 – <http://www.twdb.state.tx.us/pubs/dbe-6100-2>)
 - o DBE Subcontractor Performance (DBE-6100-3 – <http://www.twdb.state.tx.us/pubs/dbe-6100-3>)

- o DBE Subcontractor Utilization (DBE-6100-4 – <http://www.twdb.state.tx.us/pubs/dbe-6100-4>)

Part J. Guidance and Forms

Part A. General Information

No. A10 CWSRF – 31 TAC 375
DWSRF – 31 TAC 371)
EDAP and WIF – 31 TAC 363
<http://www.twdb.state.tx.us/publications/rules.asp>

Part E. Environmental

No. E6 State Programs – 31 TAC 363
Drinking Water State Revolving Fund – 31 TAC 371
Clean Water State Revolving Fund / Tier II – 31 TAC 375
Clean Water State Revolving Fund /Tier III – 31 TAC 375
<http://www.twdb.state.tx.us/publications/rules.asp>

No. E7 Guidelines for Environmental Assessment, Clean Water Tier II (ED-001A –
<http://www.twdb.state.tx.us/pubs/ed-001a>)
Clean Water EID Instructions (SRF-099 – <http://www.twdb.state.tx.us/pubs/srf-099>)
Guidelines for Environmental Assessment, St. Participation, DFund, RWAf and WIF,
(ED-001B – <http://www.twdb.state.tx.us/pubs/ed-001b>)
Guidelines for Environmental Assessment, EDAP (ED-001C –
<http://www.twdb.state.tx.us/pubs/ed-001c>)
Drinking Water EID Instructions (DW-001 – <http://www.twdb.state.tx.us/pubs/dw-001>)

Part G Green Projects and Project Components

Green Project Reserve: Guidance for determining project eligibility (TWDB-0161 –
<http://www.twdb.state.tx.us/pubs/twdb-0161>)

PROJECT BUDGET						
Uses	TWDB Funds Series 1	TWDB Funds Series 2	TWDB Funds Series 3	Total TWDB Cost	Other Funds	Total Cost
Construction						
Construction	\$1,000	\$1,000	\$1,000	\$3,000	\$1,000	\$4,000
Subtotal Construction	\$1,000	\$1,000	\$1,000	\$3,000	\$1,000	\$4,000
Basic Engineering Fees						
Planning +	\$1,000	\$1,000	\$1,000	\$3,000	\$1,000	\$4,000
Design	\$0	\$0	\$0	\$0	\$0	\$0
Construction Engineering	\$0	\$0	\$0	\$0	\$0	\$0
Basic Engineering Other **	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Basic Engineering Fees	\$1,000	\$1,000	\$1,000	\$3,000	\$1,000	\$4,000
Special Services						
Application	\$1,000	\$1,000	\$1,000	\$3,000	\$1,000	\$4,000
Environmental	\$0	\$0	\$0	\$0	\$0	\$0
Water Conservation Plan	\$0	\$0	\$0	\$0	\$0	\$0
I/I Studies/Sewer	\$0	\$0	\$0	\$0	\$0	\$0
Surveying	\$0	\$0	\$0	\$0	\$0	\$0
Geotechnical	\$0	\$0	\$0	\$0	\$0	\$0
Testing	\$0	\$0	\$0	\$0	\$0	\$0
Permits	\$0	\$0	\$0	\$0	\$0	\$0
Inspection	\$0	\$0	\$0	\$0	\$0	\$0
O&M Manual	\$0	\$0	\$0	\$0	\$0	\$0
Project Management (by engineer)	\$0	\$0	\$0	\$0	\$0	\$0
Pilot Testing	\$0	\$0	\$0	\$0	\$0	\$0
Water Distribution	\$0	\$0	\$0	\$0	\$0	\$0
Special Services Other **	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Special Services	\$1,000	\$1,000	\$1,000	\$3,000	\$1,000	\$4,000
Other						
Administration	\$1,000	\$1,000	\$1,000	\$3,000	\$1,000	\$4,000
Land/Easements	\$0	\$0	\$0	\$0	\$0	\$0
Water Rights Purchase (If Applicable)	\$1,000	\$1,000	\$1,000	\$3,000	\$1,000	\$4,000
Capacity Buy-In (If Applicable)	\$0	\$0	\$0	\$0	\$0	\$0
Project Legal Expenses	\$0	\$0	\$0	\$0	\$0	\$0
Other **	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Other Services	\$2,000	\$2,000	\$2,000	\$6,000	\$2,000	\$8,000
Fiscal Services						
Financial Advisor	\$1,000	\$1,000	\$1,000	\$3,000	\$1,000	\$4,000
Bond Counsel	\$0	\$0	\$0	\$0	\$0	\$0
Issuance Cost	\$0	\$0	\$0	\$0	\$0	\$0
Bond Insurance/Surety	\$0	\$0	\$0	\$0	\$0	\$0
Fiscal/Legal	\$0	\$0	\$0	\$0	\$0	\$0
Capitalized Interest	\$0	\$0	\$0	\$0	\$0	\$0
Bond Reserve Fund	\$0	\$0	\$0	\$0	\$0	\$0
Loan Origination Fee	\$0	\$0	\$0	\$0	\$0	\$0
Other **	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Fiscal Services	\$1,000	\$1,000	\$1,000	\$3,000	\$1,000	\$4,000
Contingency						
Contingency	\$20	\$20	\$20	\$60	\$20	\$80
Subtotal Contingency	\$20	\$20	\$20	\$60	\$20	\$80
TOTAL COSTS	\$6,020	\$6,020	\$6,020	\$18,060	\$6,020	\$24,080

Other ** description must be entered

+ For Planning applications under the EDAP Program, please break down Planning costs as follows:

Category A			0
Category B			0
Category C			0
Category D			0
Total Planning Costs	0	0	0

AVALON001843

From my Personal Diary (John Goodwyn)

Thur 10 Jan 2008

I was appointed to the Avalon Water Board to replace Barbara Counts until annual elections in March.

Thu 14 Feb 2008

Attended the Avalon Water board meeting. Sonny and Irene were absent.

Mon. 10 Mar 2008

Attended two meetings of the water board: annual meeting, and monthly meeting. We replaced Irene Kelly-Anthony with Santos Mongia, and elected Robin Donaldson as secretary.

Thu. 10 Apr 2008

Studied the open meetings act using the new DVD I got from the attorney general's office. No glitches.

Attended the Water Board monthly meeting.

Tue. 27 May 2008

I sent an email to Debra Cole regarding the rules for a closed meeting. This was in response to a meeting notice I got from Sonny yesterday saying there was going to be a meeting at his house this morning at 9 AM. I had left a voice mail with Debra yesterday, and this morning she called and cancelled the meeting. Later, at the post office, I gave Sonny a copy of the email I sent to Debra. We talked for several minutes about the politics of Hilco and Gregg Rodriguez.

Thu. 29 May 2008

Debbie Cole said the personnel issue would be placed on the agenda for the regular meeting.

Thu. 12 Jun 2008

Water board meeting. We passed a motion to hold Gregg's pay at the present level and to consider a year-end bonus before Christmas. Also, we passed a measure to hold each member responsible for any water losses, even accidental ones.

Mon. 08 Mar 2010

Attended the annual water meeting and the monthly meeting. Same officers.

Sat. 07 Aug 2010

I visited with Patsy and Everett Russell and borrowed Patsy's copy of the Avalon Water Tariff. It speaks quite concretely about Equity Buy-in.

Wed. 20 Oct 2010

Talked to Cecil Kennedy at 309 Jack Eastham Road about selling a couple of acres for the sewer expansion. He said that the land was out of his control, and would be sold on behalf of the Texas Veterans Land something or other.

I called Patsy Russell and told her that the Kennedy land is not available at present, and that the Gillespies are definitely not interested in selling.

Fri. 22 Oct 2010

I went to Waxahachie and looked for the deed to the sewer land, but did not find it. I was confused as to how one goes about the search. Will return and try again with help from a clerk.

Wed. 27 Oct 2010

I spoke to Gregg Rodriguez in Avalon. We talked about the sewer project. Also, he showed me where Larry Feaster encroached 5.5 feet onto Avalon Water property when he expanded the service station.

Thu. 04 Nov 2010

I went to the Avalon service station and met with Patsy, Gregg, Roy Scruggs, Jr., and a representative of the bank that owns the station. The rep will go back and discuss the encroachment with bank management. We discussed the possibility of using part of the bay, buying the bay, selling our part, or renting our part.

Tue. 09 Nov 2010

Went to Waxahachie. Before shopping, I spent several hours looking for deeds. Found the deed to Avalon Water for the land around the south well. Also found a legal document giving the metes and bounds of the old service station.

Wed. 10 Nov 2010

I drew the plats for the Avalon Water lot downtown and the Station lot. When drawn according to the metes and bounds, the two lots have between them a narrow angle that widens to around 19" near the front of the station lot.

Carol Gillespie gave me a copy of a long letter to Patsy Russell. It was a response to Patsy's letter asking (again) to buy land next to the sewer works.

Thu. 11 Nov 2010

Water board meeting was attended by Carol and Marcie. They were nice. Carol said that she worried that she had caused me extra work over the land.

Fri. 10 Nov 2010

I measured the Avalon Water lot around Well #1 after finding the common stake at the southeast corner. Our fence does not go all the way west for 33 feet. Then it doesn't come in far enough for about 21 feet. Thus we are over on the Wakeland lot by about 50 square feet.

Thu. 18 Nov 2010

I didn't make any progress on the Avalon Water (sewer).

Thu. 10 Feb 2011

Attended the Avalon Water Board meeting. Only four members attended, but at least we had a quorum. Patsy and I are to meet in Ft. Worth on the 14 to talk to Flowers & Leist, Inc. Also, on the 17th we will attend a meeting with the RDA at the Hilco office in Itasca.

Mon. 14 Feb 2011

I drove to Ft. Worth and met with Charles Leist and Ben Shanklin to discuss sewer options. Patsy and Everett Russell were there. We met from 2:30 to 5:30 PM. We also met Mr. Flowers. He voiced concerns that TCEQ would not likely grant a permit not having a specification for ammonia.

Thu. 17 Feb 2011

Went to Itasca and met with Kent Smith of Hilco, Ben Shanklin of Childress Engineers, and two representatives of the USDA: Russell Peckham and J.L. (Jay) Tyler, Jr.

Wed. 06 Jul 2011

I went off to Avalon for a sewer inspection by TCEQ.

Sat. 09 Jul 2011

I typed a rough draft of the sewer inspection of 7/6/11.

Sun. 10 Jul 2011

I wrote up the report on the July 6 inspection of the sewer plant.

Mon. 11 Jul 2011

Picked up some sewer violation documents from Patsy.

Mon. 18 Jul 2011

I met with Albert Shelton at the Avalon Sewer Plant and got answers to my general questions about plant operation.

Wed. 20 Jul 2011

Took the PLC from the Hydroxyl unit and brought it home. Downloaded the manuals.

I conducted the Water board meeting because Patsy was sick.

Mon. 25 Jul 2011

I ran into David Bowman at the sewer plant. He made some suggestions for improving the effluent. See report with today's date.

Tue. 26 Jul 2011

Went to Italy and got permission from Kate French to leave a copy of the Application for sewer permit at the Dunlap library.

Fri. 29 Jul 2011

I cleaned out some debris out of the sewer racetrack and put it in the hazardous waste barrel. Guess the stuff was algae, along with trash such as a piece of window screen! I will be looking to see if recirculation is restored.

Sat. 30 Jul 2011

I took measurements of the racetrack so I can determine how much liquid is in it.

Sun. 31 Jul 2011

The sewer is now pretty well blocked with sludge at the northeast corner due to a level of only 11 inches. I took more measurements, and cleared debris away from the float that controls the grinder pump in the racetrack.

Mon. 01 Aug 2011

I checked on the sewer plant this morning.

Sun. 07 Aug 2011

I read parts of the Hydroxyl manual, and it appears that it is a rather complicated plant. I suspect that our effluent is substandard because several of the features have been disabled by Bowman H2O.

Thu. 11 Aug 2011

Water board meeting was long. Also, we got a late start due to waiting for a quorum.

Sat. 13 Aug 2011

I went to the sewer plant and found the racetrack pump inoperative.

Tue. 23 Aug 2011

Went to Itasca and Hillsboro on sewer business.

Wed. 24 Aug 2011

I went to Avalon and got the mail, checked on the sewer, and such.

Thu. 25 Aug 2011

Sent an email to Dex Dean regarding our application for permit renewal. I didn't do a very good job because I waited too late to start.

Thu. 01 Sep 2011

Got a phone call from Canada regarding the Hydroxyl unit.

Fri. 02 Sep 2011

Ran into Dean Carrell and Greg Rodriguez at the sewer plant when I went back in the afternoon to take a few more pictures for Hydroxyl in Canada. We discussed Dean's running of our plant, but he bounces around so much mentally, that I am not sure what we decided on.

Sun. 04 Sep 2011

Went to the sewer plant as usual. I found the racetrack pump silent, so the wastewater is rising in the racetrack. Spoke with Bowman. Later, in the evening, I unplugged the emergency line so

sewage would flow into the emergency pond. I didn't want the sewage deposited on the ground around the racetrack and pond because it is messy, and we would probably be obligated to file Form 501 (for a spill).

10/20/11 Thu.

Patsy Russell got a letter this morning from TCEQ. It stated that our sewer fine would be \$68,525.

10/22/11 Sat.

I worked on a rebuttal to TCEQ accusations, but have lots left.

10/26/11 Wed.

Went to Austin with Ben Shanklin. TCEQ recommended that Avalon pursue Land Application of sewage to Cecil Kennedy's land.

10/27/11 Thu.

I spent a fair amount of time on an agenda for my Monday meeting with Enforcement in Ft. Worth.

11/02/11 Wed.

I worked with Gregg Rodriguez and Joe Cihak cleaning out the racetrack. We worked from 8:17 AM TO 10:10 AM, and from 1:17 PM to 7:35 PM. It was a lot of physical work.

11/03/11 Thu.

Worked on sewer documents.

11/04/11 Fri.

Went to Waxahachie in the late afternoon and made copies of sewer papers.

11/10/11 Thu.

Water board meeting. The Gillespies were there. Also, a reporter was there at the request of one of the Gillespies, Abby said. The reporter was from the Italy Internet newspaper.

I gave a full report on the sewer business related to the permit application, the major amendment, the penalty, our corrections, the land application plant proposed by Louis Herrin. Dean proposed that we get a second opinion on a new plant from KSA in McKinney. I agreed to go to McKinney and discuss.

11/11/11 Fri.

Went to McKinney and talked to Scott Hoelzle about sewer plants.

11/12/11 Sat.

I dug out some "okra" from the Hydroxyl plant and found a diffuser. Should be simple to replace the membranes.

11/13/11 Sun.

I removed most of the remaining "okra" from the moving bed. Removed one of the diffusers. Found two of them (close to the north end) with membranes pulled loose. No wonder so much air was bubbling up there, and none in the south end. Worked late trying to order new membranes, but two-day shipping is expensive.

11/22/11 Tue.

I finished repairing the Gast air pump for the Hydroxyl package plant.

12/01/11 Thu.

Special Sewer meeting tonight. Went pretty well. Have been thinking of resigning – getting a little crazy due to the constant work. Now Enforcement wants more info.

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
John Goodwyn, Vice-President
Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimbish
Santos Munguia
Harrison Romero
Terry Shears

Notice of Monthly Meeting for May 2011

To All Members:

The regular meeting of Avalon Water and Sewer Service Corporation for May 2011 will be held in the office of the Avalon Volunteer Fire Department, Avalon Texas, on Thursday May 12, 2011 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. Reading and approval of minutes of previous meeting of April 14, 2011
5. Review and approval of financial report for payment of current expenses
6. Review and approval of repair invoices
7. Sewer Update
8. New Sewer Plant Update
9. Heating and Cooling Unit for Storage Building
10. Employee Benefit/Evaluation Review
11. Executive Session
12. President's Report
13. Manager's Report/Water Update
14. Open Forum
15. Adjourn

* 25 cent per hour pay increase
for Gregg Rodriguez

AVALON001850

Avalon Water and Sewer Service Corp

Board of Directors Meeting May 12, 2011

MINUTES

The Board of Directors of Avalon Water and Sewer Service Corporation met for their regularly scheduled meeting in the office of the Avalon Volunteer Fire Department, Avalon, Texas 7:00 pm on Thursday May 12, 2011.

Directors present for this meeting were Patsy Russell, John Goodwyn, Robin Donaldson, Santos Munguia and Avalon Employee Gregg Rodriguez. Present from HILCO Electric Cooperative was Kent Smith Water Operations Manager.

Meeting was called to order at 7:04 p.m. by Board President Patsy Russell and determined the presence of a quorum.

7:15 p.m. visitors Victor Ledesma and Sergio Salazar arrived at meeting with the concern of \$1,030 needing to be paid for meter at 105 Giles and meter on Hemphill not being moved due to Tariff stating meters can only be moved to an adjoining property. After explanation both parties understood what must be done.

John Goodwyn visited with Nash-Forreston on there Sewer Plant and the rules/regulations for that Sewer Plant.

Minutes of previous meeting of April 14, 2011 were approved with a motion by John Goodwyn, second by Santos Munguia. Motion carried unanimously.

John Goodwyn made a motion to approve the financial report for payment of current expenses, second by Santos Munguia. Motion carried unanimously.

Santos Munguia made a motion to approve the repair invoices, second by Robin Donaldson, motion carried unanimously.

Board President Patsy Russell spoke once again to property owner Tammy Faye Worthy and she has agreed to issue Sanitary Control Easement to Avalon Water and Sewer Corporation for the new Sewer Plant.

Robin Donaldson made a motion to give Patsy Russell the authority to purchase a heating/cooling unit for the storage building, spending no more than \$560 before taxes, second by Santos Munguia. Motion carried unanimously.

Board went into Executive Session at 8:21 p.m. and returned from Executive Session at 8:34 p.m. John Goodwyn made a motion approving a .25 cent per hour pay increase for


AVALON001851

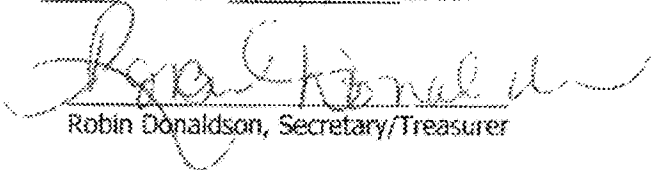
Employee Gregg Rodriguez to go into effect immediately and employees' vacation to stay at three weeks.

Per Kent Smith water still flowing.

With there being no further business the meeting was adjourned at 8:40 p.m. with a motion by John Goodwyn, second by Santos Munguia. Motion carried unanimously.

APPROVED BY THE BOARD OF DIRECTORS THIS 31 DAY OF May 2011.


Patsy Russell, President


Robin Donaldson, Secretary/Treasurer

AVALON WATER AND SEWER SERVICE CORP

15 E Main
PO Box 246

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

AMENDED AGENDA

Officers

Patsy Russell, President
John Goodwyn, Vice-President
Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimbish
Santos Munguia
Harrison Romero
Terry Shears

Notice of Monthly Meeting for September 2011

To All Members:

The regular meeting of Avalon Water and Sewer Service Corporation for September 2011 will be held at the First Baptist Church, Avalon Texas, on Thursday September 8, 2011 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. Public Notice/Member Concerns of Permit Renewal
5. Reading and approval of August 11, 2011 minutes
6. Review and approval of financial report for payment of current expenses
7. Review and approval of repair invoices
8. Sewer Update
9. Discuss and Act on Cleaning out of Racetrack
10. Discuss and Act on a Smoke Test of the Sewer Mains
11. Discuss Getting Quote for a Meter to Measure Influent
12. New Sewer Plant Update
13. President's Report
14. Discuss Replacement of Director
15. Manager's Report/Water Update
16. Discuss & Act on Contract with HILCO
17. Discuss & Act on LPL Money Market Account
18. **EXECUTIVE SESSION**
19. Open Forum
20. Adjourn

*meeting was on
September 13, 2011*

*To hire Dean Carrall as wastewater
plant manager/operator*

AVALON001853

AVALON WATER AND SEWER SERVICE CORP

15 E Main
PO Box 246

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

AMENDED AGENDA

Officers

Patsy Russell, President
John Goodwyn, Vice-President
Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimbish
Santos Munguia
Harrison Romero
Manuel Rodriguez

Notice of Monthly Meeting for November 2011

To All Members:

The regular meeting of Avalon Water and Sewer Service Corporation for November 2011 will be held at the First Baptist Church, Avalon Texas, on Thursday November 10, 2011 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. Reading and approval of October 13, 2011 minutes
5. Review and approval of financial report for payment of current expenses
6. Review and approval of repair invoices
7. David Waishes Meter Set
8. TCEQ Violations & Fine
9. Permit Renewal
10. Major Amendment on New Plant Plans
11. Sewer Update
12. Discuss Engineer's Concept for a New Sewer Plant and Cost
13. Discuss & Act on Sending Letter of Intent to TCEQ
14. New Sewer Plant Update
15. President's Report
16. Manager's Report/Water Update
17. Discuss and Act On Pay Increase for Employee
18. Executive Session *increase pay by \$1.00 per hour for Gregg Rodriguez*
19. Open Forum *and additional \$1.00 per hour when he gets license*
20. Adjourn

AVALON001854

Avalon Water and Sewer Service Corp

Board of Directors Meeting November 10, 2011

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 November 10, 2011.

Directors present for this meeting were Patsy Russell, John Goodwyn, Robin Donaldson, Santos Munguia, Harrison Romero, Manuel Rodriguez, Avalon employee Gregg Rodriguez and Dean Carrell Sewer Plant Consultant. 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 Patsy Russell and determined the presence of a quorum.

There were three members present Marcia Gillespie, Carol Gillespie and Mary Bates, also present was Alyssa Kirton with the Neo-Tribune of Italy. Members present had nothing to bring before the Board.

Minutes of previous meeting of October 13, 2011 approved with a motion by Harrison Romero, second by Santos Munguia. Motion carried unanimously.

John Goodwyn made a motion to approve the financial report for payment of current expenses, second by Santos Munguia. Motion carried unanimously.

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

Harrison Romero made a motion to accept David Waishes proposal for getting a meter set to serve his new home, second by Santos Munguia. Motion carried unanimously.

John Goodwyn presented the Board with a written update on the TCEQ violations and fine, review of DMR for October 2011, smoke test, cleanout of racetrack, permit renewal and major amendment on new plant plans.

Sewer Consultant Dean Carrell spoke to the Board of the five weeks of no discharge and advised of lower cost by KSA Consultants for Sewer Plant.

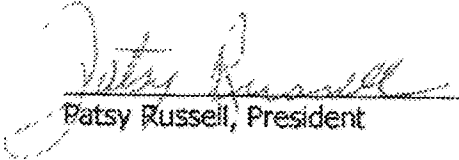
President Patsy Russell had nothing to add on the President's Report and Kent Smith had nothing on Manager's Report.

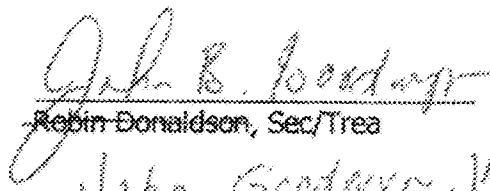
Board went into Executive Session at 7:45 p.m. and ended Executive Session at 7:58 p.m. Santos Munguia made a motion to increase Employee Gregg Rodriguez' pay by \$1.00 per hour and making it retro active to October 16, 2011, when Gregg Rodriguez gets his license he will get an additional \$1.00 per hour, second by Manuel Rodriguez. Motion carried unanimously.

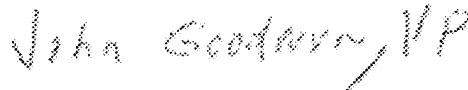
Patsy Russell advised Board that she may have a 2005-F150 Crew Cab Truck for sale has new tires, warranty until 2014, has 132,000 miles and is asking \$9000. Gregg advised Board about the work on Hydroxyl and that there aren't any drains in tank.

With there being no further business the meeting was adjourned at 8:09 p.m. with a motion by John Goodwyn, second by Robin Donaldson. Motion carried unanimously.

APPROVED BY THE BOARD OF DIRECTORS THIS 1st DAY OF December, 2011.


Patsy Russell, President


Robin Donaldson, Sec/Trea


John Goodwyn, VP

AVALON WATER AND SEWER SERVICE CORP

15 E Main
PO Box 246

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

AGENDA

Officers

Patsy Russell, President
John Goodwyn, Vice-President
Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimbish
Santos Munguia
Harrison Romero
Terry Shears

Notice of Monthly Meeting for January 2011

To All Members:

The regular meeting of Avalon Water and Sewer Service Corporation for January 2011 will be held in the office of the Avalon Volunteer Fire Department, Avalon Texas, on Thursday January 13, 2011 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 (Andrew Biery)
4. Sewer Update
5. Reading and approval of minutes of previous meeting of December 9, 2010
6. Review and approval of financial report for payment of current expenses
7. Review and approval of repair invoices
8. President's Report
9. Ratify Employee Christmas Bonus
10. Audit of 2010 Financials - Kendall Stone
11. Manager's Report
12. Water Update
13. Twenty-five dollar chance for early proxy returns
14. Open Forum
15. Adjourn

ND Ex: Session

AVALON001857

AVALON WATER AND SEWER SERVICE CORP

415 E Main
PO Box 246

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

AGENDA

Officers

Patsy Russell, President
John Goodwyn, Vice-President
Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimbish
Santos Munguia
Harrison Romero
Terry Shears

Notice of Monthly Meeting for February 2011

To All Members.

The regular meeting of Avalon Water and Sewer Service Corporation for February 2011 will be held in the office of the Avalon Volunteer Fire Department, Avalon, Texas on Thursday February 10, 2011 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. Sewer Update
5. Reading and approval of minutes of previous meeting of January 13, 2011
6. Review and approval of financial report for payment of current expenses
7. Review and approval of repair invoices
8. President's Report
9. Manager's Report
10. Water Update
11. Open Forum
12. Adjourn

No Ex. Session

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
John Goodwyn, Vice-President
Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimbish
Santos Munguia
Harrison Romero
Terry Shears

Notice of Monthly Meeting for March 2011

To All Members:

The regular meeting of Avalon Water and Sewer Service Corporation for March 2011 will be held at the First Baptist Church in Avalon, Texas on Monday March 14, 2011 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. Board realignment
4. Visitor's concerns and comments
5. Sewer Update
6. Reading and approval of minutes of previous meeting of February 10, 2011
7. Review and approval of financial report for payment of current expenses
8. Review and approval of repair invoices
9. President's Report
10. Manager's Report
11. Water Update
12. Open Forum
13. Adjourn

NO EX Session

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

John Goodwyn, Vice-President

Robin Donaldson, Secretary/Treasurer

Directors

Denise Wimbish

Santos Munguia

Harrison Romero

Terry Shears

Notice of Monthly Meeting for April 2011

To All Members:

The regular meeting of Avalon Water and Sewer Service Corporation for April 2011 will be held in the office of the Avalon Volunteer Fire Department, Avalon, Texas on Thursday April 14, 2011 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. Sewer Update
5. Reading and approval of minutes of previous meeting of March 14, 2011
6. Review and approval of financial report for payment of current expenses
7. Review and approval of repair invoices
8. President's Report
9. Manager's Report
10. Water Update
11. Open Forum
12. Adjourn

IN: Est. Session

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

John Goodwyn, Vice-President

Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimbish

Santos Munguia

Harrison Romero

Terry Shears

Notice of Monthly Meeting for June 2011

To All Members:

The regular meeting of Avalon Water and Sewer Service Corporation for June 2011 will be held in the office of the Avalon Volunteer Fire Department, Avalon Texas, on Thursday June 9, 2011 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. Reading and approval of minutes of Special Called Meeting.
5. Review and approval of financial report for payment of current expenses
6. Review and approval of repair invoices
7. Sewer Update
8. New Sewer Plant Update
9. President's Report
10. Dumpster at Wastewater Plant
11. New Truck
12. Manager's Report/Water Update
13. Open Forum
14. Adjourn

NO EN. Session

AVALON001861

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
John Goodwyn, Vice-President
Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimbish
Santos Munguia
Harrison Romero
Terry Shears

Notice of Monthly Meeting for August 2011

To All Members:

The regular meeting of Avalon Water and Sewer Service Corporation for August 2011 will be held in the office of the Avalon Volunteer Fire Department, Avalon Texas, on Thursday August 11, 2011 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. Scott Green Request for 2nd Meter
5. Member/two houses one meter
6. Reading and approval of June 9, 2011 minutes
7. Reading and approval of July 20, 2011 minutes
8. Review and approval of financial report for payment of current expenses
9. Review and approval of repair invoices
10. Sewer Update
11. Discuss and Act on Cleaning out of Racetrack
12. Discuss and Act on a Smoke Test of the Sewer Mains
13. Discuss and Act on getting High Water Alarm & Sign for the Sewer Lift Station
14. Discuss Getting Quote for a Meter to Measure Influent
15. New Sewer Plant Update
16. President's Report
17. Discuss Replacement of Director
18. Manager's Report/Water Update
19. Discuss and Act on payment method for Conservation District Charges
20. Open Forum
21. Adjourn

NO EX. Session

AVALON001862

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
John Goodwyn, Vice-President
Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimbish
Santos Munguia
Harrison Romero
Terry Shears

Notice of Monthly Meeting for October 2011

To All Members:

The regular meeting of Avalon Water and Sewer Service Corporation for October 2011 will be held at the First Baptist Church, Avalon Texas, on Thursday October 13, 2011 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. Reading and approval of September 8, 2011 minutes
5. Approval of the minutes of the Special Meeting of September 13, 2011
6. Review and approval of financial report for payment of current expenses
7. Review and approval of repair invoices
8. Sewer Update
9. Discuss and Act on Cleaning out of Racetrack
10. Discuss and Act on a Smoke Test of the Sewer Mains
11. New Sewer Plant Update
12. President's Report
13. Discuss Replacement of Director
14. Manager's Report/Water Update
15. Open Forum
16. Adjourn

No Ex. Session

AVALON WATER AND SEWER SERVICE CORP

15 E Main
PO Box 246

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

AMENDED AGENDA

Officers

Patsy Russell, President
John Goodwyn, Vice-President
Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimbish
Santos Munguia
Harrison Romero
Manuel Rodriguez

Notice of Monthly Meeting for December 2011

To All Members:

The regular meeting of Avalon Water and Sewer Service Corporation for December 2011 will be held at the First Baptist Church, Avalon Texas, on Thursday December 8, 2011 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. Presentation by KSA Engineering on their concept for increasing our sewer plant capacity
5. Reading and approval of November 10, 2011 minutes
6. Reading and approval of minutes for November 21, 2011 and December 1, 2011 Special Meetings
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. Manager's Report/Water Update
13. Santos Munguia's Water Bill
14. Open Forum
15. Adjourn

No Ex. Session

AVALON001864

AVALON WATER AND SEWER SERVICE CORP

SPECIAL MEETING

115 E. Main
PO Box 246

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

Officers: Patsy Russell, president
John Goodwyn, vice president
Robin Donaldson, sec/treas.

Directors: Denice Wimbish
Santos Munguia
Manuel Rodriguez
Harrison Romero

A special meeting of Avalon Water and Sewer Service Corporation will be held at the following place and time:

Location: First Baptist Church; 206 Giles St.; Avalon, Texas
Date: Thursday January 5, 2012
Time: 7:00 PM

— AGENDA —

1. Call meeting to order
2. Determine presence of a quorum
3. Visitor's concerns and comments related to the sewer plant—
 - a. Gillespie statements, questions, concerns - - Gillespie statements
 - b. Other visitors' concerns and comments
4. KSA presentation of preliminary design and estimated costs for expanded plant
5. Discuss and possibly vote on the preliminary design and estimated cost
6. Discuss and possibly vote on a contract with KSA Engineers
7. Discuss and possibly vote on a contract with Dean Carrell
8. Open forum for board members
9. Adjourn

**AVALON WATER SEWER
SPECIAL MEETING MINUTES**

1/5/2012

Members present, Manuel Rodriguez, Santo Munguia, John Goodwyn, Harrison Romero, Patsy Russell, Denice Wimbish and Robin Donaldson. Also present employee, Gregg Rodriguez, consultant Dean Carrell, and his asst. Wendy Frank.

Also present Kent Smith- Hilco, Cindy Sutherland – Neotribune reporter, Gillespie sisters and KSA Engineers Rep.

Meeting called to order 7:03 P.M.

Carol Gillespie read a lengthy letter concerning purchase of their family land and easements.

Dean Carrell reported on the sewer system and cleanup thus far. He asked to table KSA engineering presentation until they have more information to them determine what can or cannot be done with the existing sewer plant . We do need a motion stating for intent to contract with KSA. This motion was made by Manuel Rodriguez and second by John Goodwyn. Vote was unanimous.

There was discussion about a contract between Dean Carrell and Avalon Water Sewer, Corp. This contract would involve an increase in salary to Dean in the event that he spends extra time on processing paperwork for grants. Original compensation \$1250.00 per month. In the event extra time for grants amount compensation will be \$1650.00 per month.

Manuel Rodriguez made a motion to accept the salary increase second by Santos Munguia. Unanimous vote to approved motion.

Gregg Rodriguez, informed the board of needed expenditures for improvements/upgrading and repair to the sewer plant. Such as purchase of wiring, float, renting a trencher, pipe and conduit. There was discussion concerning these expenditures. Costs will be minimal.

John Goodwyn made motion to adjourn. Manuel Rodriguez second.
Unanimous vote to adjourn at 7:47 P.M.

AVALON WATER AND SEWER SERVICE CORP

115 E Main
PO Box 246

Itasca, Texas 76055
Phone: 254-687-2331
Fax: 254-687-2429

AGENDA

Officers

Patsy Russell, President
John Goodwyn, Vice-President
Robin Donaldson, Secretary/Treasurer

Directors

Denise Wimbush
Santos Munguia
Harrison Romero
Manuel Rodriguez

Notice of Monthly Meeting for January 2012

To All Members

The regular meeting of Avalon Water and Sewer Service Corporation for January 2012 will be held at the First Baptist Church, Avalon Texas, on Thursday January 12, 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. Vendor's concerns and comments
4. Review and approval of January 5, 2012 Special Meeting minutes
5. Reading and approval of minutes of previous meeting of December 8, 2011 minutes
6. Review and approval of financial report for payment of current expenses
7. Review and approval of repair invoices
8. Discuss and Act on Purchase of Gillespie Land
9. Sewer Update
10. New Sewer Plant Update
11. Discuss and Act on KSA contract
12. President's Report
13. Ratify Employee Christmas Bonus
14. Review and adopt ballot, director application form and election procedures
15. Manager's Report/Water Update
16. Executive Session
17. Open Forum
18. Adjourn

AVALON001868

Avalon Water and Sewer Service Corp

Board of Directors Meeting

January 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 Avalon, Texas 7:00 pm on Thursday January 12, 2012.

Directors present for this meeting were Patsy Russell, John Goodwyn, Denice Wimbish, Robin Donaldson, Santos Munguia, 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 7:03 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 the eleven acres that is up for sale would be enough for variances and that she would not sell the remaining twenty-five acres. Board agreed to get an appraisal and have the property surveyed before making any final decisions; Ms Gillespie was asked if she would consider paying for half of the appraisal/survey she said no. Land purchase was tabled.

Minutes of previous meeting of December 8, 2011 approved with a motion by Harrison Romero, second by Manuel Rodriguez. Motion carried unanimously.

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

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; he explained that with more improvements and upgrades that KSA would be in favor of using the plant as long as the numbers continued to be good. Dean Carrell presented the Board with the KSA contract and a task order that would need to be signed. John Goodwyn made a motion to sign both the contract and the task order, second by Robin Donaldson. Motion carried unanimously.

Dean Carrell discussed a fiberglass tank for lift station with a cost of \$1500 that would come out to \$37 a foot. Manuel Rodriguez said it would cost approximately \$5000 for the concrete work.

President Patsy Russell advised Board that John Goodwyn had resigned his position as of February 8, 2012. Board will need to find someone that might want to finish out John's term.

Board agreed to ratify Gregg Rodriguez' Christmas Bonus with a motion by Harrison Romero, second by Manuel Rodriguez. Motion carried unanimously.


Santos Munguia made a motion to adopt ballot, director application and annual meeting election procedures, second by Harrison Romero. Motion carried unanimously.

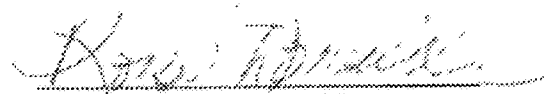
Board went into Executive Session to discuss Waste Water Financing.

Gregg advised Board that he would be taking his wastewater test on the following Tuesday.

With there being no further business the meeting was adjourned at 8:10 p.m. with a motion by Santos Munguia, second by John Goodwyn. Motion carried unanimously.

APPROVED BY THE BOARD OF DIRECTORS THIS 9th DAY OF February 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

AMENDED AGENDA

Oscar

Patsy Russell, President

Robin Donaldson, Secretary/Treasurer

Directors

Dance Tumbler

Santos Margués

Harrison Romero

Manuel Rodríguez

Notice of Monthly Meeting for February 2012

To All Members

The regular meeting of Avalon Water and Sewer Service Corporation for February, 2012 will be held at the First Baptist Church, Avalon Texas, on Thursday February 9, 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. Reading and approval of January 5, 2012 Special Meeting minutes
5. Reading and approval of minutes of previous meeting of January 12, 2012 minutes
6. Review and approval of financial report for payment of current expenses
7. Review and approval of repair invoices
8. Discuss and Act on Gillespie Land Purchase
9. Sewer Update
10. Discuss & Act on Gregg Rodriguez Medical Expenses
11. Upgrades to Wastewater Pump
12. New Sewer Plant Update
13. President's Report
14. Manager's Report/Water Update
15. Open Forum
16. Adjourn

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 Denise 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 75055
Phone: 254-687-2331
Fax: 254-687-2428

AGENDA

Officers

Patsy Russell, President

Robin Donaldson, Secretary/Treasurer

Directors

Denice Wimbish

not present Santos Mungua

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 *Attempts to block meeting the board.*
20. Adjourn

Amendment Permit

1) Admin

2) Tech

\$350 fee

landowners up to a mile downstream

Trev hired to read meters.

\$10 an hr.

AVALON001874

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.

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.

AVALON001877

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

AVALON WATER AND SEWER SERVICE CORP

115 E Main
PO Box 246

Itasca, Texas 75055
Phone: 254-687-2331
Fax: 254-687-2428

AGENDA

Officers

Patsy Russell, President

David Waishes, Vice-President

Robin Donaldson, Secretary/Treasurer

Directors

Denise Wimber

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~~ *no a - p.m. on Health Insurance for Employee Gregg*
17. Open Forum
18. Adjourn

AVALON001879

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.

AVALON001880

#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

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

115 E Main
PO Box 246

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

AGENDA

Officers

David Waishes, President

Jimmy Brown, Vice-President

Robin Donaldson, Secretary/Treasurer

Directors

Denise 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 *not active*
 - * Land appraisal
19. Open Forum
20. Adjourn

AVALON001883

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 75607 at 7:00 pm. on Thursday May 10, 2012.

Present: President (Mr. David) Harrison, Board Members: David Harrison, James D. Richard, David Washburn, Manuel Rodriguez, James Brown, Anthony Williams, David Rodriguez, George Rodriguez and J. L. Dominguez Attorney. Present from the City of Dallas: Cooperative and Kent Smith Water Operations Manager and Andy Bales, Vice Auditor David Rodriguez.

Meeting was called to order at 7:05 pm. by Board President David Washburn. A determination was pronounced as follows:

There were 10 members present (10) out of 12 (2) after the early exit of Mr. Rodriguez and Mr. David Washburn. Mayor David G. Sutherland with Mayor's Office of City was also present and Contractors David Carroll and Wendy Funn.

Minutes of previous meeting of April 9, 2012 approved with a motion by Harrison. Motion seconded by David Washburn. Motion carried and approved.

Harrison Board Member motion to approve the financial report on the report of David Washburn seconded by Manuel Rodriguez. Motion carried and approved.

Harrison Board Member motion to approve the regular water rate and fee report. Motion seconded by David Washburn. Motion carried and approved.

Anthony Williams Motion reviewed Sewer Bill 10 and seconded and approved by David Washburn. Motion seconded by David Washburn. Motion carried and approved.

David Washburn Motion to accept resignations from David Funn and David Rodriguez. Motion seconded by David Washburn. Motion carried and approved.

David Carroll Motion to accept LMR reports shows waste water plant is working. Motion seconded by David Washburn. Motion seconded by David Washburn. Motion carried and approved.

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 Denise 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 15th DAY OF July 2012

David P. Waishes
David Waishes, President

Robin Donaldson
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

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

Directors

Denise 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 *not a 7/10/12*
 - * Land appraisal *not a 7/10/12*
 - * General Manager designation *not a 7/10/12*
 - * Gregg Rodriguez Annual Review *not a 7/10/12*
 - * Discuss & Act on Health Insurance for Employee Gregg Rodriguez *not a 7/10/12*
16. Open Forum
17. Adjourn

AVALON001886

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 Denise Wimbish, Harrison Romero, David Washes, 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 Bacon Water Customer Service Representative.

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

There were six members present Marcia & Carol Gillespie, Patsy Russell, Patsy 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 Denise 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 excises, 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 Washes informed Board he and Gregg Rodriguez had gone to Austin to TCEQ spoke with Mr. Reesch. There was a discussion of adding a tank and lift station and TCEQ was informed of the upgrades that have already been done.

AVALON001887