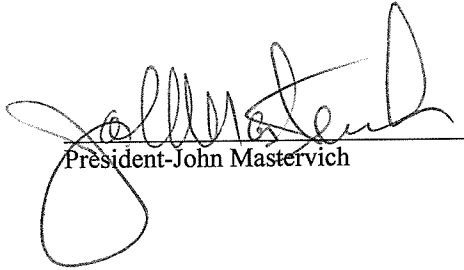


TALTY WATER SUPPLY CORPORATION
REGULAR BOARD MEETING
MONDAY, APRIL 18, 2016
7:00pm
12475 WINDY LANE
FORNEY, TEXAS

1. Vice-President, Scot Boisvert, called the meeting to order at 7:01 p.m. Board members Bill Hart, Dan Turner & Sidney Schlebach were present. General Manager, Corey Trail; Office Manager, Lisa Morris; Field Supervisor, Shane Carney as well as Greg Shumpert, Attorney and Tyler Hendrickson, Engineer, were present. Kyle Caperton with Murrey, Paschall & Caperton was also in attendance.
2. Bill Hart made a motion to approve the Minutes of the March 21, 2016 regular Board Meeting as written and presented. Second: Sidney Schlebach Vote: Unanimous.
3. Guests:
 - a. None
4. Engineer Report:
 - a. Bill Hart made a motion to approve Pay Request Number 4 (FINAL) to Four Star Excavating. Second: Dan Turner Vote: Unanimous
5. Attorney Report:
 - a. Greg explained that the merger at Markout passed but not by 2/3 of the vote. David Hinds & Florence Benedict were re-elected as Board Members at Markout. After their Annual Meeting, the Board discussed having another vote because some of their members expressed that they were better informed at the Annual Meeting and might have voted differently. Scot Boisvert stressed that even if there is another vote and it passes, we are not obligated to go through with the merger.
6. Old Business
 - a. Update on SUD: Vote is set for May 7, 2016. Everything seems to be in order for the vote.
 - b. Bill Hart made a motion to approve the Care Flite service to membership with changes penciled in. Second: Dan Turner Vote: Unanimous
7. New Business
 - a. Kyle Caperton presented the 2015 Audit. Dan Turner made a motion to accept the Audit as presented. Second: Sidney Schlebach Vote: Unanimous
 - b. Bill Hart made a motion to purchase a Dually truck not to exceed \$60,000. Second: Dan Turner Vote: Unanimous
8. Director's Report
 - a. Sidney Schlebach made a motion to approve the March, 2016 financials as presented. Second: Dan Turner Vote: Unanimous
9. Monthly Operations Report
 - a. Corey Trail presented the overall Monthly Operations Report.
 - Water loss is down to 11% but it will probably go back up next month.
 - Most of Corey's time this past month has been spent on the merger with Markout.
 - Corey is working on information for the Annual Meeting which is Monday, April 25, 2016.
 - The tower is 2/3 away from being filled with water. We are working with Oncor for power. TVEC (Trinity Valley Electric Coop) comes down the road also but Alan Bain is working with Oncor on the Gateway project so Oncor will be the electric provider for the tower.
 - b. Shane Carney presented the Field Supervisor's report:

- Chance Lee & Aaron Meister took their Class D Water License test on 4/14/16 and David Johnson will take his retest on 5/12/16. Clayton Sullivent will be scheduled to take his test at a later date.
- c. Lisa presented the Office Manager's Report:
- Karla Bowsher will be attending the TRWA Office Professionals Conference on June 9-10 in San Antonio.

10. Scot Boisvert adjourned the meeting at 8:03 p.m.



President-John Mastervich

Approved as 5/16/16
May 16, 2016