



Windermere Oaks Water Supply Corporation

424 Coventry Rd
Spicewood, Texas 78669

2014 Board of Directors:
Pat Mulligan, President
Bill Earnest, Vice President
Dorothy Taylor, Secretary
Mike Madden, Director
Scott Penner, Director

Open Board of Directors meeting held: Tuesday, February 18, 2014

Board Members Present:

Pat Mulligan, President
Bill Earnest, Vice President
Dorothy Taylor, Secretary/Treasurer
Mike Madden, Director
Scott Penner, Director

MINUTES

President Mulligan called the meeting to order at 5:16pm . Quorum Present.

Minutes from the previous Open Board Meeting held January 13, 2014 were not presented for approval.

President Mulligan stated that he had approached 3 banks to secure financing options for the new Waste Water Treatment Plant. He presented proposals from 2 banks. Third bank had not submitted a proposal.

Based on a construction budget of \$765,000. WOWSC intends to pay \$315,000 in Cash. And borrow \$450,000. WOWSC still owes approximately \$244,300 for financing on the Water Treatment Plant.

Proposals from banks were to provide a loan in the amount of approximately \$700,000. The proceeds from this loan will be used to refinance the existing loan of \$244,300.47 and the remaining \$450,000 needed to construct the new wastewater treatment plant.

Various property owned by WOWSC will be used as collateral as needed to secure the loan.

George Burriss has been working on getting all paperwork on titles for property owned by WOWSC.

Pat Mulligan will have survey and appraisal done of property that WOWSC is considering selling.

George Burriss and Pat Mulligan to provide Board members with a construction timeline for the new Waste Water Treatment Plant.

President Mulligan needed to obtain additional information to update the Board on questions regarding the financing options. Motion was made by Bill Earnest to have Pat Mulligan continue negotiating with American Bank and follow up with third bank to determine their interest in providing a loan. It was seconded by Mike Madden and approved by all Board members.

Pat Mulligan made a motion to have a continuation of this meeting at 10am on Saturday, February 22nd at 1009 Coventry. Bill Earnest seconded. All Board members approved.

An adjourned meeting was reconvened on Saturday February 22nd at 10am.

President Mulligan updated Board with information from banks regarding the loan options.

PG 2 - February 18, 2014 WOWSC OPEN BOARD MEETING MINUTES CONTINUED:

After review, Mike Madden made a motion to approve the American Bank of Texas loan proposal for about \$694,300.47, comprising the balance of the existing loan of \$244,300.47 (or amount at funding date) and \$450,000 to construct the WWTP. Rate will be the Wall Street Journal Prime + .75% floating, with scheduled payment to adjust on the anniversary date of each year and annually thereafter. First 9 months to be interest only during the construction phase of the project then converting to a principal and interest loan based upon 10 year Amortization with a 120 month level payout. WOWSC will also fund the project up to \$315,000 prior to bank funding (full offer attached). Bill Earnest seconded. All Board members approved.

President Mulligan stated that he is revising the WOWSC Budget and will present at the next meeting.

President Mulligan updated the Board that George Burriss will be reviewing and possibly revising his contracts with Ricky Rowe and Larry Black. Update to come at the next meeting.

Bill Earnest is to set up a meeting with Clay Johnson.

There being no further old business or new business, motion was made by Scott Penner to adjourn, Bill Earnest seconded , all board members approved. Meeting adjourned 11:07am
Submitted By Dorothy Taylor