

Minutes of Meeting
Board of Directors
Parker Water Supply Corporation
February 15, 2018

On the 15th day of February, 2018, the Board of Directors of Parker Water Supply Corporation ("Corporation") met at the office of the Corporation at 7001 C.R. 1200; Cleburne, Texas with the following Directors present:

David R. Kercheval, Don Goates, Harry Shaffer and Brent Harris. Don Rice was absent due to medical issues.

Also present were Brad Hammond and Marilyn Duncan, associates of the Corporation and Henry Moore, the Corporation attorney. The meeting was called to order at 7:02 p.m. with a roll call taken by David Kercheval. A quorum was determined to exist.

Consent Agenda

After a brief discussion, Don Goates made and Harry Shaffer seconded motion to accept the December 15, 2017 Minutes. Motion passed. The Directors considered the January 2018 Treasurer's Report presented by Harry Shaffer. A motion to approve the Treasurer's Report was made by Harry Shaffer and seconded by Don Goates. The motion was passed by voice vote.

The Directors considered, discussed and acted upon the January 2018 Overtime Report. David Kercheval explained the need for overtime during January. A motion to approve the overtime report was made by Don Goates and seconded by Brent Harris. The January 2018 Overtime Report was adopted by voice vote.


Regular Agenda

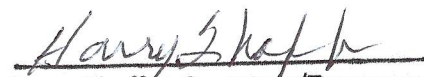
Under the regular agenda, Item 1 dealt with approving resolution setting April 21, 2018, at 7:00 P.M. as date and time for Annual Meeting of Members. Don Goates made and Harry Shaffer seconded the motion which passed by voice vote. Under Item 2, the Directors considered, discussed and acted upon a motion to accept resolution approving Ballots, Application Forms and Election Procedures. Don Goates made and Harry Shaffer seconded motion which passed by unanimous voice vote. Under Item 3, the Board discussed naming an employee to review Board candidate applications for completeness. Motion was made by Don Goates and seconded by Brent Harris to name Marilyn Duncan to handle the reviews and David Kercheval to assist her. Motion passed by a voice vote. Item 4 involved passing a resolution selecting an Election Auditor and Assistant Election Auditor. Our General Counsel, Henry Moore

recommended Barbara Wilson to serve as Election Auditor and Linda Daniel as Assistant Election Auditor. Motion made by David Kercheval and seconded by Don Goates to accept Henry Moore's recommendation and select the previously named individuals as Election Auditor and Assistant Election Auditor. Motion approved by voice vote. Item 5 was President's Report. He briefly spoke of Evaette Dowdy, her passing and changes to be made as a result of her death. He then addressed several events which had occurred in past six weeks. He along with Eddie Aguilar of Jacob-Martin, James Lyles, Shirley Brezina and Marilyn had successfully responded to alleged charges against Parker WSC by TCEQ. The organization had operated with only one of three employees and David for a one month period due to illnesses of Brad Hammond and Evaette Dowdy. He stated that Parker must develop a contingency plan for such times in the future. With help of Don Rice he had interviewed James Lyles and temporarily retained him until Board could take further action on replacing Evaette Dowdy. He applauded Marilyn Duncan for stepping up and being vital part of keeping Parker WSC afloat during a crucial time. He announced that security cameras had been installed in office and Plant 2, and were working great other than having a weak internet system. The computers and new printers were being programmed and would be installed soon. He again discussed some type of clothing to identify employees and asked Brent Harris if he would look into matter. He stated CoBank application was moving forward, but bank needed additional information. No action was needed on President's Report. Item 6 involved discussing possibility of negotiating a contract with James Lyles to continue assisting Parker WSC for approximately 6 months or until such time as another licensed operator could be located and hired. Don Goates made and Brent Harris seconded motion to authorize David Kercheval to negotiate a contract with Mr. Lyles, but attempting to stay within \$ 2,000.00-\$ 2500.00. Henry Moore was to review contract. David Kercheval stated that was probably an unreasonable request, but agreed to do his best. Item 7 was omitted since David had covered information in his report. Item 8 was Office Manager's Report which required no Board action. Item 9 was presentation of proposed 2018 budget followed by brief explanation on a couple of points. Don Goates made and Harry Shaffer seconded motion to accept budget as presented. Motion passed by unanimous vote. April 21, 2018 was announced as the next meeting.

With no further business pending Don Goates made and Harry Shaffer seconded motion to adjourn at 8:25.

Approved:


David R. Kercheval, President


Harry Shaffer, Secretary/Treasurer