

May 14, 2015

LAKE BONANZA WATER SUPPLY CORPORATION  
DIRECTOR BOARD MEETING

May 14, 2015

KOA 19785 Highway 105 West Montgomery, Texas 77356 6:00 P.M

President Mary Wesolick called the meeting to order. Karen Gonzalez, Lance Molchan, Joe Gonzalez and Tracy Michaud made the quorum. Rodney Snell was not present.

Secretary Karen Gonzalez read the minutes from the April 9, 2015 meeting. Joe Gonzalez made a motion to accept the minutes as read. Tracy Michaud seconded. Motion passed. Karen next read the minutes from the April 25<sup>th</sup> special meeting. Joe motioned to accept these minutes and Lance Molchan seconded. Motion passed.

There was no public comment.

Lance made a motion to approve and pay the bills. Joe seconded and this motion passed.

Mike from Wagners presented the Director and Operation Report. Mike said we had water loss due to the county clipping a line. Our Gross Alpha violation test came back for the first quarter with a reading of 17, the standard being 15. Mike is working with our engineer Sean with Fontaine & Associates. Melanie informed the Board, a letter will be required to go out to the customers by the end of June. Discussion followed resulting in Joe making a motion for Wagners to take the recommendation and act on the Engineer recommendations to isolate the standpipe and ground storage tank and get samplings from both. Tracy seconded. Motion passed unanimously. Tracy motioned to accept the Director Report and Lance seconded. Motion passed.

Melanie presented the Financial Report. She pointed out a deficit in the SJRA fees collected and the amount owed. Mary said this issue will go on the June agenda. Joe made a motion to accept the Financial Report. Lance seconded. Motion passed. Customer Henry Musterman was not present to discuss his account as was requested by Rodney Snell.

President Mary Wesolick read LBWSC Bylaws Article V Section 2 as follows. {Any Director failing to attend two consecutive meetings may be given written notice by the balance of the Board of Directors that failure by said Director to attend a third consecutive meeting, without justifiable cause acceptable to the balance of the Board of Directors, shall give rise to removal of said Director from the Board. A successor shall be appointed by a majority vote of the Directors remaining to serve until the next regular or special Membership meeting, at which time the general Membership shall elect a successor for the balance of the term.} Secretary Karen Gonzalez read into record the first paragraph of LBWSC February 12, 2015 minutes: {President Joe Gonzalez called the meeting to order. There was a quorum with Tracy Michaud, Lance

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Molchan, Mary Wesolick and Karen Gonzalez. Rodney Snell did not attend.} Next the Secretary read into the record the first paragraph of LBWSC March 12, 2015 minutes: {President Joe Gonzalez called the meeting to order. Mary Wesolick, Lance Molchan, Tracy Michaud and Karen Gonzalez formed the quorum. Rodney Snell did not show for the meeting.} Next the first paragraph of the April 9<sup>th</sup> meeting was read: {President Joe Gonzalez called the meeting to order. Mary Wesolick, Tracy Michaud and Karen Gonzalez made the quorum. Lance Molchan had informed the Board he would not be able to attend. Rodney Snell informed President Gonzalez right before the meeting he would not attend.} Discussion followed for possible removal of Director Rodney Snell from the Board of Directors of Lake Bonanza Water Supply Corporation. Mary relayed Mr. Snell had been sent a letter informing him of possible removal from the Board. Two copies were sent to him, one by certified mail and one through regular mail. He replied by email acknowledging receipt of the letter. The letter was read into the record as follows:

Dear Ms. Wesolick, I am in receipt of your letter, but it does not meet Article V section 2 requirements as prescribed in the bylaws of Lake Bonanza Water Supply Corporations and many other statutes. I also notified Joe Gonzales before March and April's Meetings and in last, requested it be excused and Joe replied to text saying "ok".

Mary stated the rest of the letter goes off on other subjects.

Joe Gonzalez made a motion as follows, that we remove Rodney Snell as Director of Lake Bonanza Water Supply Corporation and based on Article 5 Section 2 which states specifically the rules for removal of a Director. Lance Molchan seconded the motion. The motion passed unanimously to remove Rodney Snell from the Board. Attorney Sommers added a memorandum would need to go out to Mr. Snell informing him of his removal and a replacement of the Director should go on the upcoming agenda.

President Mary Wesolick called on Tracy Michaud. Tracy offered wanting to prepare Director Manuals with needed information ready available for members.

Next, Attorney Oscar Sommers asked the President if the notification to Mr. Rodney Snell of his possible removal from the Board had been read into the record. Mary relayed Mr. Snell had been sent a letter informing him of possible removal from the Board. Two copies were sent to him, one by certified mail and one through regular mail. Mary read the letter dated April 29, 2015 as follows: Dear Mr. Snell,

The records of the LBWSC indicate that you have failed to attend three consecutive meetings, February, March, and April of 2015. In accordance with Article V of the corporate by laws, you may be removed from the board and are hereby, so notified.

If you wish to provide information to the balance of the board for the purpose of having any or all of these absences excused, please do so in writing or in person on or before the next board meeting which is scheduled for May 14, 2015.

The board will take the matter under consideration at the next board meeting on May 14, 2015. Please mail your written response to LBWSC, P.O. Box 507, Montgomery TX 77356.  
Sincerely, Mary Wesolick, President

Attorney Sommers then commented the record will reflect accurately all things that the Board did for the removal of Rodney Snell as a Director of LBWSC. Secretary Karen Gonzalez offered she had not gotten a signed return receipt back from Mr. Snell at the present time. Mary relayed an email in response to her above letter had been received dated May 2, 2015 addressed to Ms. Wesolick, Joe Gonzalez, Karen Gonzalez, Lance Molchan and Tracy Michaud. She also relayed she had sent a response back to Mr. Snell saying the matter would be taken up at the May 14<sup>th</sup>, 2015 meeting. Then there had been no further response.

Mary then recommended that Tracy be in charge of compiling a Director manual. All materials will be fully funded by the Corporation and any request for public information will be at no cost to her for this project. Joe motioned to do this and Lance seconded. Motion passed.

Joe motioned to adjourn the meeting and Tracy seconded. Motion passed and meeting adjourned at 7:25 P.M.

Sincerely,

Karen Gonzalez  
Secretary, LBWSC