

MINUTES OF THE AUGUST 4, 2020
REGULAR MEETING OF THE TWSD BOARD OF DIRECTORS

Attending the meeting were Chairman Richard McMullen, Vice Chairman Timothy Mahoney, Treasurer Kelly Clark, Secretary Linda Martin, and Director Lillian Devine.

Saluting of the flags was accomplished.

Approval of the Agenda. Director Martin moved to approve the agenda as written and Director Mahoney seconded. Chairman McMullen, Directors Mahoney, Clark, Martin, and Devine voted aye, and the motion passed.

General Manager's Report. The General Manager gave his report.

1. Main Pump had 61% water loss; suspect increase due to some major leaks.
2. Several water meters were installed.
3. One line extension was accepted by the customer.
4. VFD was installed at the Water Plant.
5. Bohannon Houston are working on plans for the underground reservoir. An email from Mr. Deal states that we can use other grants for valves.
6. Union negotiations will take place on Monday via ZOOM.
7. A new pool pump and strainer have been ordered.
8. A new aerator for the pond has been ordered. It should be here by Thursday. There was some discussion concerning installation.
9. Some people from Carlsbad hauled off some scrap metal from the maintenance shop area. We are working on getting a dumpster for that area.
10. We are tweaking billing procedures for F&S and Standby.
11. We are doing our best during this Covid 19 crisis.

Treasurer Report. Treasurer Kelly Clark read the bank balances. F&S, \$115,929.34; Short Lived, \$124,477.11; Standby, \$85,406.11; Operations, \$57,466.86; Restricted Reserve, \$57,367.34 (\$1012.26 transferred in from SB past due); Reserve, \$6,405.60; USDA Loan, \$852.34.

Committee Reports. None. The committees are on hold for now.

Old Business.

Discuss/Approve restructuring of Recreation and Facilities rental fees. The Chairman recommended charging non-taxpayers. The GM went through the proposed changes. There was much discussion. The GM will create an SOP for the next meeting.

Discuss/Approve disposition of accumulated junk at maintenance shop. Director Devine stated that there is a place in Alamo that takes appliances with refrigerants (a recycling plant). The GM will call them and see what the requirements are. There was some discussion.

New Business.

Approve Minutes of the July 18, 2020 Regular Meeting. Director Martin moved to approve the minutes as written and dispense with the reading. Director Devine seconded. Chairman McMullen, Directors Mahoney, Clark, Martin, and Devine voted aye, and the motion passed.

Approve/Discuss DTI rent adjustment. There was some discussion. Director Martin moved to table this item until September and Director Mahoney seconded. Chairman McMullen, Directors Mahoney, Clark, Martin, and Devine voted aye, and the motion passed.

Director Martin moved to go into closed session to discuss litigation issues and Director Clark seconded. Chairman McMullen voted aye; Director Mahoney voted aye; Director Clark voted aye; Director Martin voted aye; Director Devine voted aye.

Director Devine moved to come out of closed session and Director Martin seconded. Chairman McMullen voted aye; Director Mahoney voted aye; Director Clark voted aye; Director Martin voted aye; Director Devine voted aye.

Chairman McMullen stated that no decisions were made, but now we must vote on options the attorney presented to us. The particulars will not be discussed in the open meeting, as they fall under attorney/client privilege.

Discuss/Approve Mr. Jones' recommendation for Situation A. Director Martin moved to approve Option 1, and Director Devine seconded. Chairman McMullen, Directors Mahoney, Clark, Martin, and Devine voted aye, and the motion passed.

Discuss/Approve Mr. Jones' recommendation for Situation B. Director Martin moved to approve Option 3, and Director Devine seconded. Chairman McMullen, Directors Mahoney, Clark, Martin, and Devine voted aye, and the motion passed.

Discuss/Approve Mr. Jones' recommendation for Situation C. Director Martin moved to approve Option 1, and Director Clark seconded. Chairman McMullen, Directors Mahoney, Clark, Martin, and Devine voted aye, and the motion passed.

Chairman McMullen stated that he will forward the board's decision to our attorney.

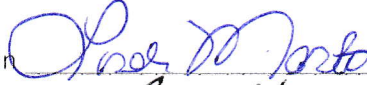
Set Agenda for August 15, 2020. The Secretary stated that there are no additional items at this time. The Secretary stated that she will need any additional items by close of business on August 11, 2020.

Directors Remarks. None.

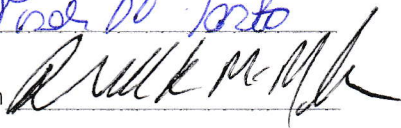
Director Martin moved to adjourn the meeting and Director Mahoney seconded. Chairman McMullen, Directors Mahoney, Clark, Martin, and Devine voted aye, and the meeting was adjourned.

Minutes approved August 15, 2020.

Secretary Linda Martin



Chairman Richard McMullen



Supplement to the Minutes of the Timberon Water and Sanitation District Board of Directors Regular Meeting conducted Tuesday, August 4, 2020, 6:00 pm.:

- a. Situation A of Closed Session related to demand for reimbursement of fees and assessments from Smile4U Inc. All discussions related directly to confidential attorney-client communications; the attorney's recommendations are privileged. The Board voted not to reimburse any fees or assessments to Smile4U Inc.
- b. Situation B of Closed Session related to pending litigation matters in the case of Virgil Beagles et al. v. TWSD, No. D-1215-CV-2014-00099, Twelfth Judicial District Court, County of Otero; and Betty Beagles et al. v. Dewayne Beagles, No. D-504-CV-2018-00759, Fifth Judicial District Court, County of Chaves. All discussions related directly to confidential attorney-client communications; the attorney's recommendations are privileged. The Board voted to propose the assumption of T10 Block 111 Lot 041 from the receivership in exchange for partial satisfaction of amounts owed in back fees and assessments.
- c. Situation C of Closed Session related to pending litigation matters in the case of Betty Beagles et al. v. Dewayne Beagles, No. D-504-CV-2018-00759, Fifth Judicial District Court, County of Chaves. All discussions related directly to confidential attorney-client communications; the attorney's recommendations are privileged. The Board voted not to allow for short sales of lots or assumption by TWSD of the cost of any transfer of properties to new owners.

Approved October 6, 2020.



RICHARD McMULLEN, CHAIRMAN



Linda Martin, SECRETARY