

Manville Water Supply Corporation
Members
April 27, 2010

The annual meeting of the Manville Water Supply Corporation (Manville) was held April 27, 2010 at the S.P.J.S.T. Hall in Elgin, Pastor John Sumner of St. Peter's Church of Coupland gave the invocation before 369 members and guests prior to the serving of a Chicken Fried Steak Dinner catered by David "Red" Oman.

Mr. Schnabel recognized the past Board Members present and introduced the current Board as well as Manville's attorney, engineer and manager.

Meeting Called to Order – Charlie Schnabel, President of the Board, called the meeting to order.

Minutes from the 2009 Annual Meeting – Terry Greene made a motion to refrain from reading the minutes. James Whiteley seconded the motion; motion carried.

Audit Report – Dwayne Blakeslee, Accountant, provided a report on the Audit for year ending December 31, 2009. Mr. Blakeslee reported the audit was performed in accordance with Government Auditing Standards since Manville has a loan from the Federal Government. Mr. Blakeslee reported the financial position of Manville is extremely strong. He stated he issued Manville an unqualified opinion, the highest opinion an auditor can give and noted there were two adjusting journal entries for a minimum amount. Mr. Blakeslee stated Manville is well managed and has an excellent staff.

Nominating Committee – Charlie Schnabel recognized the nominating committee; Robert Rhoades, chairman, Atlan Pflugger Jr., Fred Maass, Willie Mae Burns and Joan Kunkel. Mr. Schnabel explained this year applications for consideration of candidacy for election to the Board were mailed to all Manville members. Excellent applications were received resulting in the nominating committee interviewing the applicants extensively. Ballots were mailed to the members of Manville with all ten names of the applicants and according to Manville's By Laws the committee recommended three individuals that they thought were the most qualified.

Election of New Board Members – There were 450 ballots submitted. After validation the Election Monitor certified 434 valid ballots. Charlie announced the results of the election as follows: James Whiteley was re-elected to a three year term. Joe Coffey and Marcus Gary were elected to a three-year term.

Engineer Report for 2009 – Jerry Fontaine, Engineer, gave an overview of Manville's history and system. Mr. Fontaine has been Manville's engineer since 1981. He stated Manville is in good shape at the present time. Jerry stated he meets with the Board and helps them make decisions, review construction plans and contract documents. Drinking

water is supplied by two sources, surface and ground water. Manville has two sources of surface water; the City of Pflugerville for 1.9 MGD and the City of Austin for 4 MGD. The City of Austin is planning a 24" water line on Cameron Road to Killingsworth Lane making it possible for Manville to receive the 4 MGD as contracted.

Manville has three supplies of ground water; Edwards Limestone, Colorado Alluvium and Carrizo Wilcox in Lee County. The original system was designed and served by the Edwards Limestone Wells; however, that aquifer is not being replenished sufficiently. Manville also has wells in the Colorado Alluvium and has developed 6 wells in Lee County that are capable to pump 10 million GPD through the 24" line that was approved in 2001. The water from Lee County requires treatment and the last phase of the treatment plant is planned to be put into service in May, 2010. Capital Improvements are paid for by developers paying impact fees. Due to the slow economy there are not many impact fees being paid, however, Manville does not have major improvements planed in the immediate future.

Jerry reported there is a private company that has leased water rights in Burleson and Milam County and have plans to bring 80 million GPD to this area through a 30" water line. In the future Manville may purchase some water from this company.

Manager's Report – Tony Graf, thanked David "Red" Oman for the catered meal. Tony reported Manville has been improving the system by looping lines and installing larger lines in some areas. He asked customers to conserve and use water wisely so Manville will not have to ration water this summer.

Tony introduced Manville's employees and expressed thanks to them as well as the Board of Directors, attorney and engineer.

Presentation of Plaques – Tony presented a plaque of appreciation to employees Karen Van Buren and Kay Finch for five years of service to Manville. Tony presented plaques of appreciation to Charlie Schnabel and Diane Moellenberg for having served on the Board for six years.

Adjournment – Charlie Schnabel stated Manville provides the best water at the lowest price of any water company in the area. The meeting adjourned as there was no further business.