WHITEWATER SPRINGS
WATER SUPPLY CORPORATION

MINUTES OF THE ANNUAL MEETING

February 9, 2012

The Members and the Board of Directors of the Whitewater Springs Water Supply Corporation (the "Corporation" or "WSWSC") met at the Corporation's Annual Meeting, open to the public, outside the boundaries of the Corporation, at the Bertram Library, 140 North Gabriel, Bertram Texas 78605-0243, on February 9, 2012 at 1:30 p.m. A copy of the notice of meeting along with associated certificates of posting are attached as "Exhibit A."

President Lambert called the meeting to order at 1:35 p.m.

Agenda

Item No. 1

Item No. 1 was the saying of the Pledge of Allegiance.

Item No. 2

Item No. 2 was to call the meeting to order and to establish a quorum. Counsel Wilburn noted that there 24 members present in person or by proxy, constituting a quorum of the Members of the Corporation.

Item No. 3

Item No. 3 was an Open for Members to address the Board. Members made various inquiries to the Board regarding the status of the purchase of the system from LCRA. The Corporation took **NO ACTION** on this item.

Item No. 4

Item No. 4 was a Report by the President. Trish Lambert gave a brief presentation on the status of the purchase of the system from LCRA. The Corporation took **NO ACTION** on this item.

Item No. 5

Item No. 5 was a Report by the Secretary-Treasurer regarding the Corporation's finances. Frank Caramanica presented a spreadsheet showing the cash flow, including receipts and expenditures, for the prior calendar year. He also reported on the status of the loan application with the USDA for financial assistance, including the efforts in obtaining alternative funding for the purchase. The Corporation took **NO ACTION** on this item.

Item No. 6

Item No. 6 was the Attorney's Report. Counsel Randy Wilburn made a brief presentation on the status of the CCN application pending before the Texas Commission on Environmental Quality. The Corporation took **NO ACTION** on this item.

Item No. 7

Item No. 7 was to report the Election Results. Third-party Election Auditor Rosalie Hiers reported that Directors Lambert, Hiers, and Caramanica were re-elected with 24 ayes and no nays, and the Members voted unanimously, 24-0, to amend the Bylaws as proposed. In accordance with the Amended Bylaws, Counsel Wilburn announced the result of his drawing straws to determine the terms of the Board of Director positions. Director Place No. 1 (currently held by Trish Lambert) will expire at the Annual Meeting in 2013, Place Nos. 2 and 3 (currently held by Bill Hiers and Frank Caramanica) will expire in 2015, and Places Nos. 4 and 5 (the new un-filled positions) will expire in 2014. Subsequent terms of office for all Directors will be three (3) years.

Item No. 8

Item No. 8 was Adjournment. Director Hiers made a motion to adjourn its meeting. Director Caramanica seconded the motion, and it **PASSED** unanimously.

PASSED, APPROVED, AND ADOPTED this 21st day of May 2012.

F. Caramanica

Frank Carmanica, Secretary-Treasurer

(CORPORATION SEAL)