

**KING CREEK WATER SUPPLY CORPORATION
BOARD OF DIRECTORS MEETING MINUTES
SPECIAL MEETING WITH CSWR**

Date: June 30, 2025/**Time:** 10:00am-10:38am/**Location:** Call in meeting, no physical meeting/
Call in: Virtual meeting access: Dial-In number: (978) 990-5064, Access code: 1408755# (audio only)
Meeting called by: Kenneth Eubanks **Board Attendees:** Kenneth Eubanks, P., Craig Hoffman, VP
Type of Meeting: Special meeting with **Pam Kellan, Sec/Treas., Bruce Roebuck, Ron White**
potential buyer of system-CSWR **Shauna Latham**
Facilitator: Kenneth Eubanks **CSWR Attendees:** Shawn Nichols, VP of Business and
Note Taker: Kenneth Eubanks **Development, Josh Richardson (Attorney)**
Timekeeper: Kenneth Eubanks **Guests/VIPS:** Chuck Profilet (WaterLogic Advisors-KCWSC
Consultant) Patricia Ferguson and (Patricia Ferguson & Assoc, LLC-KCWSC's attorney)

Meeting called to order at 10:00 am

AGENDA TOPICS

A. Public Comments _____ **Kenneth**

Patricia asked if the rules for an open meeting had been followed. Kenneth stated that a quorum of the Board was present, therefore the meeting would follow the Open Meetings Act of Texas. Kenneth requested that all communication be open, honest and professional. Chuck wanted to spend some time with introduction. Kenneth asked that those be omitted due to limitations on time and the importance of having the discussion with CSWR.

B. Discuss and take appropriate actions to reach an agreement with CSWR regarding APA to sell KCWSC's water system to CSWR

Kenneth asked CSWR how the purchase price was arrived at with the deferred payment structure. Shawn Nichols said that the price was not negotiable and the CSWR was already in the negative with this sale. Kenneth stated that the price was not the primary concern, it was the fact that KCWSC would have to continue to exist as a member-owned, non-profit, in order to keep track of membership in case there was a distribution to be made by CSWR after the four years. CSWR would also have to expand resources to track and keep up with the expenditures during that period, as well. Shawn stated the CSWR would revise the offer to be a flat \$25,000 with no hold back. Kenneth requested that CSWR make the amendment and send for Board to review.

Kenneth asked if change could be made to the Indemnification clause amending limit for the potential claim against KCWSC, as well. Shawn made it clear that they would not change the wording in their standard contract that has been used in more than 150 purchases in Texas and more than 800 purchases nationwide. He stated that KCWSC was just too small of a system to expand any more time and money on. Chuck asked if CSWR had ever had a case when the indemnification clause had ever impacted a Seller. Josh, lawyer for CSWR, stated that he had not seen a case in his 4 years with CSWR. Shawn stated that he could not remember having a case either. Kenneth asked what would possibly be a reason for a Seller to reimburse a Buyer. Josh stated that it could be a defect with the property.

Kenneth requested that KCWSC be given more time than the July 3rd deadline that CSWR has set. Shawn did not agree. Patricia stated that we had to comply with Open Meeting laws and must give due 72 hour notice. Shawn stated the deadline would stand. If KCWSC did not make the deadline, then CSWR would at its discretion to move forward or rescind their offer.

Kenneth asked that the revised agreement be sent to KCWSC under those conditions.

C. Adjourn Meeting:

Kenneth moved to adjourn at 10:38 am. Bruce 2nd. Motion passed.


Kenneth Eubanks, Pres

8-12-25
Date


Pam Kellan, Sec/Treas.

8-12-2025
Date