

Falcon International Bank-Calle del Norte
6002 McPherson Rd.
Laredo, Texas 78041
Office: (956) 723-2265
Fax: (956) 725-7163



June 26, 2017

Mirando City Water Supply Corporation
Attention: Salvador Johnson
P.O. Box 57
Mirando City, TX 78369

Re: Loan requests in the amount of \$37,900.00 to complete a water storage standpipe tank

Dear Mr. Johnson:

Please be informed that Falcon International Bank has reviewed your above referenced loan request. Your request has been approved based on the information submitted to the bank. Request is subject to the following:

BORROWER(S):	Mirando City Water Supply Corporation
GUARANTOR:	Salvador Johnson
LOAN AMOUNT AND USE OF PROCEEDS:	The amount of this credit shall not exceed Thirty-Seven Thousand Nine Hundred No/100ths (\$37,900.00). The proceeds shall be utilized solely for completion of a water storage standpipe tank located in Mirando City, TX.
TERM & MONTHLY PAYMENTS:	24 Monthly payments of Principal and Interest.
INTEREST RATE:	2.55% Fixed rate / annual.
PREPAYMENT PENALTY:	N/A
COLLATERAL:	Certificate of Deposit #730001237 / Falcon International Bank.
OTHER CONDITIONS:	All documents incident to the loan shall be properly executed upon forms approved by the bank. Any fees, charges and/or costs of origination associated or incurred in connection with said loan are to be borne by the borrower.
FINANCIAL REPORTING & FINANCIAL COVENANTS:	<p>(1) If there is any default in our loan agreement, the note rate will increase by 2% until the default is cured.</p> <p>(2) Set loan payments will be on auto-debit from Borrower's checking account held with Falcon International Bank. If at any time this auto-debit is taken off, the rate will increase by 2% until it is cured.</p>

(3) Borrower to maintain active depository account(s) with Falcon Bank.

CANCELLATION:

The bank reserves the right to terminate its commitment at any time prior to loan settlement in the event of any adverse change in borrower's or guarantor's financial condition and/or if any or all legal and/or other documentation requirements incident to the loan are not provided in a manner satisfactory to the bank.

This commitment shall expire ninety days from the date of this letter, but may be extended at the bank's option.

Should you agree to the aforementioned terms and conditions, please affix your signature on the acknowledgment and return the original to the undersigned.


Sincerely,



Roberto Diaz
Vice President | Commercial Loan Officer
Falcon International Bank | Lending
direct 956.718.38.01
6002 McPherson Dr. Laredo, TX 78041

ACKNOWLEDGED AND ACCEPTED:

Mirando City Water Supply Corporation

By: 
Salvador Johnson
Board President
Mirando City Water Supply Corp.

7-6-2017
Date



Mirando City Water Supply Corporation
315 N. Linder, P.O. Box 57
Mirando City, TX 78369
Phone, 361-586-5092, Fax 361-586-5077 mcwsc1@yahoo.com



Board Meeting Minutes

Notice is hereby given that the Mirando City Water Supply Corporation will meet for a board meeting at **6:00 PM, Friday, July 7, 2017** at the Mirando City Water Supply Corporation Office, 315 Linder St. in Mirando City, Texas. This notice is posted pursuant to the TEXAS OPEN MEETING ACT, TEXAS Government code Chapter 551.

AGENDA:

1. Call to order

Meeting was called to order at 6:00P.M.

2. Roll call

Present: David Hill, Julie Cantu, & Mr. Johnson.

Absent: Hilda Esquivel & Mrs. Gribble. Mrs. Gribble joined in phone conference at 6:50 P.M.

3. Verification of quorum.

Quorum verified.

Open forum:

Esperanza Alaniz came to express her concern about 3 points in regards to the \$500.00 fine. She said a water employee had gone to see if there was water damage to the property. The valve was leaking and the water was zipping through the meter. She stated that she thinks it's a miscommunication on behalf of the water supply company and their behalf. Ms. Alanize's boyfriend brought a video where it shows that our angel valve was leaking even when the water is shut off. Our workers will be advised to go and fix that angel valve in the morning of Saturday 7/6/2017. Board will take action on the next Board meeting.

4. Approval of the minutes of the previous meeting dated June 22, 2017

Mr. David Hill had a question, if it was going to be \$40,000.00 or \$37,900.00 for the Elevated Storage Tank Loan. Mr. Johnson clarified that it will be a \$37,900.00 plus interest. David Hill made a motion to approve minutes Mrs. Cantu second. Motion was carried unanimously.

5. Financial Report.

Informational item

Number 6,7 & 11 where all discussed together.

6. Discuss and take action on the collateral for the \$40,000.00 C.D. that Mr. and Mrs. Johnson is putting up for MCWSC so that the loan will be secure.

Items requested:

Block 30 lots 10 & 11

Block 38 lots 1, 2, 3, 21, 22,23, & 24 plus improvements, a \$5.00 increase on water bill for the duration of the loan, or put all lots plus improvements mentioned above on auction sale.



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Board Meeting Minutes

Mr. Johnson explained that in order for us to pay off the loan, was to either increase the water bill from the minimum of \$40.40 to \$45.45 or auction the property of M&S and all the lots mentioned above. Falcon Bank was asking for the M&S Property, improvements plus 5 or 6 lots as collateral and a guarantee. Julie Cantu made a motion to use M&S property, lots, plus improvements and a \$5.00 increase on water bill for the duration of the loan only as collateral for Mr. & Mrs. Johnson. Mr. & Mrs. Johnson will create a CD at the Falcon Bank for MCWSC to get the \$37,900.00 Loan. Mrs. Gribble seconded the motion. Motion was carried, Mr. Johnson abstained from this decision.

7. Discuss and take action on method of payment for \$40,000.00 loan on elevated storage tank project.
8. Vacation days for Joel Hernandez for July 29, 2017 through August 8, 2017.

Mr. Hill made a motion to approve vacation for Joel Hernandez Mrs. Cantu second the motion. Motion was carried unanimously.

9. Discuss and take action for employees to attend a free work shop on July 20, 2017 at 1:00 p.m. through 5:00 p.m. in Laredo TX.

Mr. Johnson made a motion for employees (Abigail Gonzalez, Joel Hernandez, and Nelson A. Ramos) to attend work shop in Laredo Mr. Hill second the motion. Motion was carried unanimously.

10. Discuss and take action to send off payment to James Pawlik.

Mr. Hill made a motion to pay the invoices for James Pawlik water well service, and MCWS will look into having an insurance on well #3. Mrs. Cantu Second the motion. Motion was carried unanimously.

11. Discuss and take action for approval of Falcon Bank loan.

Mrs. Julie Cantu made a motion to approve the Loan from Falcon Bank in the amount of \$37,900.00. Yvonne Gribble second the motion. Motion was carried unanimously.

Adjournment:

Mrs. Cantu made a motion to adjourn at 7:10 P.M. second Mr. Hill.

I hereby certify that the above notice of a meeting was posted at the office of the Mirando City Water Supply Corporation Office, 315, N. Linder, Mirando City, Texas by 10:15 a.m., Monday, July 3, 2017.