

MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE
FRANKLIN COUNTY WATER DISTRICT
HELD: MARCH 21, 2017

THE STATE OF TEXAS
COUNTY OF FRANKLIN

FRANKLIN COUNTY WATER DISTRICT

On this the 21st day of March 2017, the Board of Directors of the Franklin County Water District convened in REGULAR SESSION at the District office located at 112 North Houston Street on the East side of the square in Mount Vernon, Texas, with the following members present:

RODNEY NEWSOM	PRESIDENT
GARY CUNNINGHAM	VICE PRESIDENT
DWAYNE BOLIN	SECRETARY
BILLY JORDAN	DIRECTOR
GARY SWAN	DIRECTOR

and with the following members absent: NONE.

Also present were J.R. Alphin, Lillie Bush-Reves, Jenny Dennis, Don Jancosek, Kerry Johnson, Mark McLiney, Chris Ward, David Weidman and Sheila Donica.

The President called the meeting to order, declared a quorum present, and that the meeting was duly convened and ready to transact business.

Notice of this meeting was given, stating the time, place and purpose, all as required by Chapter 551 of the Government Code.

A moment of silence was recognized.

The following person spoke during the public comment section: Don Jancosek.

MOTION was made by Dwayne Bolin, and SECONDED by Gary Swan, to approve the consent agenda as presented. Motion carried unanimously. The Consent Agenda was as follows:

- A. Approval and Ratification of Minutes from the February 14, 2017 Regular Meeting and the March 6, 2017 Special Called PER Meeting.
- B. Ratification of Approval of Paid Bills.
- C. Approval of Investment Report.
- D. Approval of New Lease Agreement for Brian A. Martin, Lot 64R, Block 36, Section 4, Kings Country.
- E. Approval of Amended and Restated Lease Agreement for:
 1. Grogean Revocable Trust, Lot 1R, Boiler Cove (L.D. Kemp Addition) and Lots 1 & 2, Phase 1, Northshore; and
 2. Kurt Twining, Lots 335 and 336, Pine Valley.
- F. Approval of Replat Amendment to Lease Agreement for:
 1. Arthur Warren Benoy, Jr., Lot 324R, Phase 3, Snug Harbor;
 2. Jean W. and Marie C. Latortue & Adele C. Bakken, Lots 7 and 8, Block 10, Section 2, Tall Tree;
 3. Theodore C. Burgdorf, Lot 37, El Dorado Bay and part of Easement, El Dorado;
 4. Patrick M. and Louise Jeanise Mulcahy, Lot 17, East Park; and
 5. Joe and Jean Resley & Steven and Wendy Schneider, Lots 21B and 21A, El Dorado.
- G. Approval of Amendment to Lease Agreement (99-Year Extension) for Bryan Keith and Linda Whiteside Holland, Lot WF 30, Phase 1, Swannerland.

Copies of the Bills, Investment Report, New Lease Agreement, Amended and Restated Lease Agreements, Replat Amendments and Extension Amendment are attached.

MOTION was made by Gary Cunningham, and SECONDED by Dwayne Bolin, to approve the Certification of Unopposed Candidates as presented. Motion carried unanimously. A copy of the Certification is attached.

MOTION was made by Gary Swan, and SECONDED by Billy Jordan, to approve the Resolution and Order cancelling the uncontested portion of the May 6, 2017 election for Directors Place 1 and Place 2 as presented. Motion carried unanimously. A copy of the Resolution and Order is attached.

Kerry Johnson of Fox, Byrd & Company P.C. presented the 2016 audit report to the Board. MOTION was made by Gary Cunningham, and SECONDED by Dwayne Bolin, to approve the 2016 Financial Statements and Independent Auditor's Report as presented. Motion carried unanimously. A copy of the Audit is attached.

Mark McLiney of Samco Capital gave a presentation to the Board on the District's outstanding bonds. No action was taken at this time.

MOTION was made by Billy Jordan, and SECONDED by Gary Cunningham, to adopt the amended District Personnel Policy Manual as presented. Motion carried unanimously. A copy of the Policy Manual is attached.

The Board went into Executive Session at 7:06 regarding the dam remediation issue. When the Board reconvened in Regular Session at 8:09, no action was taken.

There being no further business, the meeting was adjourned.

Minutes approved this the 18th day of April 2017.

Rodney Newsom, President

Gary Cunningham, Vice President

Dwayne Bolin, Secretary

Billy Jordan, Director

Gary Swan, Director