

MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE
FRANKLIN COUNTY WATER DISTRICT
HELD: September 8, 1986

THE STATE OF TEXAS

FRANKLIN COUNTY WATER DISTRICT

COUNTY OF FRANKLIN

ON THIS the 8th day of September, 1986, the Board of Directors of the Franklin County Water District convened in REGULAR SESSION at their office located at 114 North Houston Street on the East side of the square in Mount Vernon, Texas, with the following members present:

BILLY M. JORDAN	PRESIDENT
A. J. LAWS	VICE PRESIDENT
ELWYN CARR	SECRETARY
KENNETH JAGGERS	DIRECTOR
EDSON REYNOLDS	DIRECTOR

and with the following members absent: None.

Also present were Homer Tanner; Bob Gooch; Cecil and Jo Martin; Ron Barker; Cass Taliaferro; E. C. Withers; and Shirley Maples.

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 Vernon's Ann. Civ. Statutes, Article 6252-17.

Invocation was given by Elwyn Carr.

MINUTES of August 11, were read and approved.

MOTION was made by Edson Reynolds, and SECONDED by Kenneth Jagers, to ratify action taken in paying bills since the last meeting. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO". A list of the bills is attached hereto and made a part hereof.

The Board reviewed Budget Comparisons for the period ending August 31, 1986.

A Resolution was adopted setting the 1986 tax rate and providing for the collection thereof. Said Resolution is attached hereto and made a part hereof.

MOTION was made by Elwyn Carr and SECONDED by Edson Reynolds, to ratify action taken in executing Extensions of Lease Agreement to the following: (1) Charles Yole; (2) Carl Elder; (3) K. V. Lebsack; (4) Ross Love, Jr.; (5) George Jachimiec; and (6) Arlond Loper. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO". Copies of each extension are attached hereto and made a part hereof.

Mr. Homer Tanner and Mr. Bob Gooch presented a proposal to eliminate water rights in Lake Cypress Springs held by Northeast Texas Municipal Water District. The staff was instructed to write a letter to Northeast Texas Municipal Water District stating that the District was receptive to further discussion regarding the matter after more current historical information is prepared by Mr. Gooch. Mr. Tanner and Mr. Gooch retired from the meeting.

Cass Taliaferro reported on the following matters:

- (1) Dedication of East Park and South Park Roads;
- (2) Texas Water Commission approval of septic system setback is still pending;
- (3) Publication of a notice on the deadline for placement on the agenda; and
- (4) The Ron Barker Warranty Deed and Lease Agreement.

The Board convened in Executive Session to discuss the pending litigation. Following the session, MOTON was made by A. J. Laws, and SECONDED by Kenneth Jagers, as follows: To settle litigation with Ron Barker in response to his offer to settle the litigation, on the following terms and conditions:

- 1. Ron Barker will immediately and permanently drop his lawsuit with prejudice to ever refileing it again;
- 2. He will be granted a permit by the Franklin County Water District to operate his 33 foot boat west of the bridge;

3. The boat will be operated by Ron Barker only and no certification will be required for Ron Barker's operation of the boat;
4. If anyone else operates the boat other than Ron Barker, they must be 21 years of age or over, and must be approved of as a safe operator of this particular boat by the Franklin County Water District lake patrol;
5. The permit will be for the period of one year with the normal permit fee attached;
6. The toilet facilities on the boat will be pumped out at a Franklin County Water District approved facility if the toilet is used;
7. The boat will not be limited to idle speed only, but if the boat is operated so as to create a hazardous wake, Ron Barker will be held responsible under the District's rules and regulations;
8. Ron Barker will give the District a written hold harmless indemnity agreement. In the event the District receives a claim for damages by a third party, the District will have an indemnity agreement with Ron Barker;
9. During the months of November, December, January, February, March and April, the boat can be operated east of highway 115 bridge to the following locations: (a) Cypress Springs Marina, (b) Oleo Landing dock, (c) Tall Tree Marina, and (d) and the centermost portion of the lake, in addition to west of the bridge;
10. Ron Barker will reimburse the Franklin County District for all attorneys fees incurred from the beginning through the finalization, signing, and filing of this compromise and settlement agreement;
11. Ron Barker will pay all court costs incurred with the District court;
12. A violation of any of the terms of the permit will result in the permit being revoked permanently without any warning;
13. The pay-out of the attorney's fees will be completed by January 1, 1987;
14. Ron Barker asks that the Board gives a serious review at the end of April, 1987, for year round operations of the boat both east and west of the bridge, but the Board will be under no obligation to grant that approval. The Board would be giving their word only that they will seriously and honestly review it at that period of time; and
15. Ron Barker also asks the Board, but it is not mandatory, that the Board members take a ride on the boat between now and the end of April, 1987.

The president put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO".

There being no further business, the meeting was adjourned.

MINUTES approved this the 13th day of October, 1986.

Billy M. Jordan, President
A.J. Laws, Vice President
Elwyn Carr, Secretary
Kenneth Jagers, Director
Edson Reynolds, Director