

MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE
FRANKLIN COUNTY WATER DISTRICT
HELD: FEBRUARY 21, 1996

THE STATE OF TEXAS

FRANKLIN COUNTY WATER DISTRICT

COUNTY OF FRANKLIN

ON THIS the 21st day of February 1996, the Board of Directors of the Franklin County Water District convened in CALLED 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:

KENNETH JAGGERS	PRESIDENT
EDSON REYNOLDS	VICE PRESIDENT
BILLY M. JORDAN	SECRETARY
BILL ELLISTON	DIRECTOR

and with the following members absent: Glenn Morris.

Also present were Durrell Stevens, Eldon Wold, Pete Tart, Jim Kerley, Danny Burger, Mike Byrd, Pete Riebel, Adelene McCormick, B. J. Kalmer, Walt Sears, Jr., David Weidman, 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 Chapter 551 of the Government Code.

Invocation was given by Walt Sears, Jr.

The Board convened in EXECUTIVE SESSION to deliberate the purchase of interest in real property held by Texas Water Development Board pursuant to Section 551.072 of the Government Code.

Following the Executive Session, MOTION was made by Edson Reynolds, and SECONDED by Billy Jordan, to accept the Texas Water Development Board's counteroffer of \$3.3 million for purchase of the State's equity in Lake Cypress Springs, contingent upon a bond election passage and the sale of the bonds. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO".

MOTION was made by Billy Jordan, and SECONDED by Bill Elliston, to adopt a Resolution calling a bond election on April 13, 1996, in the amount of 3.5 million combined tax/revenue bonds. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO". A copy of the resolution is attached hereto and made a part hereof.

There being no further business, the meeting was adjourned.

MINUTES approved this the 11th day of March 1996.

Kenneth Jaggars, President
Edson Reynolds, Vice President
Billy M. Jordan, Secretary
Bill Elliston, Director