

MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE
FRANKLIN COUNTY WATER DISTRICT
HELD: JUNE 10, 1996

THE STATE OF TEXAS

FRANKLIN COUNTY WATER DISTRICT

COUNTY OF FRANKLIN

ON THIS the 10th day of June 1996, 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:

KENNETH JAGGERS	PRESIDENT
EDSON REYNOLDS	VICE PRESIDENT
GLENN MORRIS	DIRECTOR
ELDON WOLD	DIRECTOR

and with the following members absent: Billy M. Jordan.

Also present were Richard Chewning, Tony Williams, Lee Deboer, Adelene McCormick, William Thumm, Oscar Bennett, Mr. And Mrs. Billy Byrd, Paul Lovier, Joe Pinkerton, James R. Jones, Ron Hamby, Pat Wright, Bobby Burney, David Weidman, Walt Sears, Jr., 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 Glenn Morris.

Minutes of May 13, 1996, were read and approved.

MOTION was made by Glenn Morris, and SECONDED by Eldon Wold, 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 convened in Executive Session with Mr. Tony Williams representing the City of Marshall for the purpose of contract negotiations. Following the Executive Session no action was taken.

MOTION was made by Edson Reynolds, and SECONDED by Glenn Morris, to adopt the Investment Policy as presented. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO". A copy of the policy is attached hereto and made a part hereof.

Mr. James Jones and Mr. Ron Hamby requested that the Board authorize the staff to issue a permit for the harvesting of mussel shells on Lake Cypress. MOTION was made by Glenn Morris and SECONDED by Eldon Wold, to table the request pending further research and contact with Texas Parks and Wildlife. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO".

Mr. Lee Deboer requested that the Board consider lowering or removing the permit fee for the fishing guide permit. MOTION was made by Edson Reynolds, and SECONDED by Glenn Morris, to leave the permit fee at \$100.00 per year. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO".

MOTION was made by Glenn Morris and SECONDED by Edson Reynolds, to approve the amended 1996 budget as presented. The President put the question and, after full discussion and deliberation thereon, all members present voted 'AYE'. NONE voted "NO". A copy of the amended budget is attached hereto and made a part hereof.

MOTION was made by Eldon Wold and SECONDED by Glenn Morris, to add "All retaining walls shall be constructed of pentatreated timbers or concrete, or other materials approved by the District." to retaining wall standards. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO".

MOTION was made by Edson Reynolds, and SECONDED by Eldon Wold, to increase to 13 the minimum age allowed to operate personal water craft on Lake Cypress Springs under the rules set out in the District's rules and regulations. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO".

David Weidman presented a report of Lake Patrol activities.

Paul Lovier, President of the Northshore Homeowners Association met with the Board to discuss the District spraying the algae growth in the cove adjacent to the Northshore Property. He was advised that the District is planning to treat the algae with a new product, which is now available. Homeowners were invited to assist in the application of chemical since this is a painstaking task.

Manager Withers reported on the following items:

1. Meeting with North East Texas Municipal Water District;
2. The tabletop simulation oil spill;
3. TWCA Risk Management meeting scheduled for July 15 and 16;
4. A thank you note received from the Franklin County Chamber of Commerce.

He also reported that TNRCC is requiring a water conservation plan to be drawn up before they will approve our amended permit. MOTION was made by Edson Reynolds, and SECONDED by Glenn Morris, to retain Reeves Hayter to complete the plan. 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 8th day of July 1996.

Kenneth Jagers, President
Edson Reynolds, Vice President
Glenn Morris, Director
Eldon Wold, Director