

MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF
FRANKLIN COUNTY WATER
DISTRICT HELD: April 14, 1997

THE STATE OF TEXAS

FRANKLIN COUNTY WATER DISTRICT

COUNTY OF FRANKLIN

ON THIS the 14th day of April 1997, 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
BILLY M. JORDAN	SECRETARY
GLENN MORRIS	DIRECTOR
ELDON WOLD	DIRECTOR

and with the following members absent: None.

Also present were Lloyd and Jo Ann Seguin, Rock Grundman, Bill Bender, Syd Carter, Margaret Carter, Rebecca Ratliff, Lloyd Parker, Barbara Hums, Dewey Bertram, David and Dorothy Kennington, Mike Ross, Barb Richert, Adelene McCormick, Bobby Burney, Pat Wright, 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 Glenn Morris.

MINUTES of March 10, 1997, were read and approved.

MOTION was made by Glenn Morris, and SECONDED by Billy Jordan, 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.

MOTION was made by Billy Jordan, and SECONDED by Eldon Wold, to transfer funds from Storage Space Operations, Storage Space Repurchase, and Storage Space Repurchase Savings Account to Maintenance and Operations bank account and to allow the abandonment of the Storage Space Repurchase Fund. 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 approve the execution of the following Lease Agreements:

Terry Tirado Lots 368 thru 376, Phase 3, Snug Harbor
Wayne Werner Lots 1 & 3, block 38, section 4, King's Country
Kenneth Shelton Lot 12, block 34, section 4, King's Country
Wayne Werner Lot 112, block 36, section 4, King's Country

The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO". A copy of each lease is attached hereto and made a part hereof.

MOTION was made by Billy Jordan, and SECONDED by Glenn Morris, to approve the execution of Extensions of Lease Agreement to James I. Mathews (Northshore 9J/7) and Joe C. Bowman (Twin Cove Estates WF3, Section 2). The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO". A copy of each will be attached hereto and made a part hereof.

MOTION was made by Edson Reynolds, and SECONDED by Glenn Morris, to approve the execution of an Extended Lease Agreement to Jerry and Patricia Ferguson, lot 19, block 10, section 2 of Tall Tree. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO". A copy of the agreement is attached hereto and made a part hereof.

Mr. Rock Grundman made a presentation to the Board and requested that they consider going on record against the 360 Communications microwave tower. MOTION was made by Billy Jordan, and SECONDED by Eldon Wold, to instruct the Manager and Attorney to write 360 Communications, and Federal Authorities having jurisdiction and express the District's concerns regarding the tower. Also that

they be instructed to monitor the mediation process between Mr. Grundman and 360 Communications. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO".

Rebecca Ratliff requested that the Board consider lowering her lease payment on her lots in Northshore. She was advised that the District could not do so and suggested that she contact the Northshore Property Owners Association concerning a reallocation of the lease fees.

The Board convened in EXECUTIVE SESSION concerning the Manager's employment contract and related matters. Following the session, MOTION was made by Eldon Wold, and SECONDED by Edson Reynolds, to (1) extend the Manager's contract for ten months, (2) allow 3 months part time to apply to the Manager's vesting; and (3) to pay insurance premiums for 20-year employees from retirement age of 62 to age 65. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO". A copy of the extended contract will be attached hereto and made a part hereof.

David Weidman presented a lake patrol report.

Manager Withers reported that the District's bill for the redistricting of the District's election passed the House and Senate and has been signed by the Governor.

There being no further business, the meeting was adjourned.

MINUTES approved this the 12th day of May 1997.

Kenneth Jagers, President
Edson Reynolds, Vice President
Billy M. Jordan, Secretary
Glenn Morris, Director
Eldon Wold, Director