

MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE
FRANKLIN COUNTY WATER DISTRICT
HELD: November 9, 1998

THE STATE OF TEXAS

FRANKLIN COUNTY WATER DISTRICT

COUNTY OF FRANKLIN

On this the 9th day of November 1998, 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:

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| 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 Joan Davis, Cordell Bradford, Mr. and Ms. Jack Seher, Pat Wright, Bobby Burney, Scott Lee, Judge Wayne Foster, Sheriff Chuck White, Craig Harvey, Joe Scaley, Roy Medders, Mrs. Kelly Alphin and family, District Attorney Frank Long, Don and Malcolm Woody, J. R. Alphin, Trish Kuhl, David Weidman, Kirk Garner, E. C. Withers, Shirley Maples and several visitors who did not register.

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

Invocation was given by Eldon Wold.

Manager Withers and President Jaggars presented J. R. Alphin with a medal of valor and certificate. Sheriff Chuck White presented Mr. Alphin a letter of commendation.

The Consent Agenda was as follows:

1. Consideration, approval and ratification of Minutes.
2. Consideration, approval of 1999 proposed budget.
3. Extended Lease Agreement:
 - A. James T. Doell TT 14/10/2
 - B. Curtis Beeson KC 150/36/4
4. Extension of Lease Agreement:
 - A. Helen Reynolds Barker Creek 10
 - B. Jo Ann Nicholas TT 15/10/2
 - C. Lisa Louise Uhlir PHE 4

MOTION was made by Edson Reynolds, and SECONDED by Eldon Wold, to approve the consent agenda. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO". Copies of the above mentioned items are attached hereto and made a part hereof.

MOTION was made by Glenn Morris, and SECONDED by Edson Reynolds, to allow the backfill of the washed area between lots 31 and 32, block 5, section 2 of Tall Tree, with the understanding that the property would not be included in their leased property. 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 a variance of the five foot setback rule for boathouses constructed on the channel of Northshore phases 3 and 5, with the understanding that boathouse would not be allowed in the channel itself. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO".

The Board heard the first reading of the Sanctuary Village plat.

The Board set the December meeting on the 7th day of the month.

Manager Withers advised the Board that the District's Christmas party was scheduled on the 10th of December at the Barnstormers restaurant.

Manger Withers reported on an Email letter in regard to the Appraisal District being allowed to work from the District's patrol boat. The Board advised the manager to continue allowing the Appraisal District's staff to use the patrol boat with the understanding that a lake patrolman would continue operating same for the Appraisal District's use.

MOTION was made by Edson Reynolds, and SECONDED by Billy Jordan, to amend the Cypress Springs Marina lease agreement to allow the construction of condominiums for sub-lease and rental and to amend the lease to a 99-year term. 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 7th day of December 1998.

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