

MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE
FRANKLIN COUNTY WATER DISTRICT
HELD: FEBRUARY 11, 2003

THE STATE OF TEXAS

FRANKLIN COUNTY WATER DISTRICT

COUNTY OF FRANKLIN

On this the 11th day of February 2003, 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:

ELDON WOLD	PRESIDENT
GLENN MORRIS	VICE PRESIDENT
BILLY JORDAN	SECRETARY
DON MORRIS	DIRECTOR
DAN AGEE	DIRECTOR

and with the following members absent: NONE.

Also present were Wayne Ruyle, Ken Czajka, Willie Bane, Judy Spaht, David Spaht, J.R. Alphin, Theresa Lumbers, David Weidman and Sheila Donica.

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 Eldon Wold.

MOTION was made by Don Morris, and SECONDED by Billy Jordan, 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". The Consent Agenda was as follows:

1. Approval and Ratification of Minutes.
2. Approval and Ratification of Payment of Bills.
3. Income / Expense Comparison January 2002 / 2003.
4. Investment Report.
5. Termination of Lease for:
 - A. Harold Swanner, Twin Cove Estates, Acreage A and B.

A copy of the bills, Income / Expense Comparison, Investment Report, Affidavit of Termination are attached hereto and made a part hereof.

Mr. Wayne Ruyle addressed the Board concerning a building permit violation fee. MOTION was made by Glenn Morris, and SECONDED by Billy Jordan, to waive the \$500.00 violation in this instance only. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO".

The appointed Lake Patrol committee updated the Board on the status of the meetings with the County regarding the Lake Patrol. Public comments were received by Mr. Ken Czajka and Mr. Willie Bane on the matter. MOTION was made by Dan Agee, and SECONDED by Glenn Morris, that the duties of Chief of Police be added to the Environmental Services and Enforcement Supervisor's duties. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO". MOTION was made by Don Morris, and SECONDED by Glenn Morris, to dissolve the committee to explore the options for the Lake Patrol. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO".

MOTION was made by Don Morris, and SECONDED by Billy Jordan, to authorize the District's participation in the Section 125 Flex Plan as set forth by the General Manager. 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 and limits set are attached hereto and made a part hereof.

MOTION was made by Billy Jordan, and SECONDED by Glenn Morris, to adopt a Resolution calling an election on May 3, 2003. 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.

MOTION was made by Billy Jordan, and SECONDED by Don Morris, to set the pay scale at \$7.50 for election clerks and judges with the judges receiving an additional \$25.00. 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 Glenn Morris, to adopt a Resolution changing the location of Early Voting from the County Clerk's office to the Courthouse Basement. 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.

At this time, Paul Myers, attorney for the District, and Peter Fischbein, Timothy Williams, Alex Santana and Scott Conrad, attorneys for BLC, joined the meeting.

The General Manager gave a report on the application to appropriate state water by Caddo Lake Institute, Inc.

The Board convened in Executive Session to consult with their attorney concerning Cypress Springs Marina / BLC Litigation. The Board reconvened in Open Session at 9:22 p.m. at which time no action was taken.

There being no further business, the meeting was adjourned.

MINUTES approved this the 11th day of March 2003.

Eldon Wold, President

Glenn Morris, Vice President

Billy Jordan, Secretary

Don Morris, Director

Dan Agee, Director