

MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE
FRANKLIN COUNTY WATER DISTRICT
HELD: FEBRUARY 10, 2004

THE STATE OF TEXAS

FRANKLIN COUNTY WATER DISTRICT

COUNTY OF FRANKLIN

On this the 10th day of February 2004, 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:

BILLY JORDAN	PRESIDENT
GLENN MORRIS	VICE PRESIDENT
DAN AGEE	SECRETARY
CAROL LARSEN	DIRECTOR
JUDY SPAHT	DIRECTOR

and with the following members absent: NONE.

Also present were Wendell Bell, Richard Larsen, Barbara Richard, Willie Bane, Pat Norris, Jonathan Cooper, Bob Jewett, Ben Boren, Gay Snider, 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 Glenn Morris.

MOTION was made by Carol Larsen, and SECONDED by Glenn Morris, 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 2003 / 2004.
4. Investment Report.
5. New Lease Agreement for Edith Shull Loinette, Lots 11 and 12, South Park.

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

Jonathan Cooper of Cooper Land Surveying presented a preliminary survey of Mary King Park to the Board. No action was taken. A copy of the final survey and topography will be attached hereto and made a part hereof.

Wendell Bell addressed the Board concerning his interest in purchasing a portion of Mary King Park that is adjacent to his leasehold. No action was taken.

Pat Norris addressed the Board with his concerns and suggestions on possible future uses of property located at the West End of Lake Cypress Springs. No action was taken.

The Board discussed the feasibility of moving some No Ski buoys to different locations in Panther Creek Cove and possibly other coves. No action was taken.

MOTION was made by Carol Larsen, and SECONDED by Judy Spaht, to allow the District's mileage reimbursement rate to be set and kept at the IRS approved rate. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO".

MOTION was made by Carol Larsen, and SECONDED by Dan Agee to reschedule the regular March Board meeting to March 2, 2004. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO".

The Manager reported on the following items:

- A. General Manager's report; and
- B. Panther Creek Pass POA litigation settlement. A copy of the settlement agreement will be attached hereto and made a part hereof.

The following people addressed the Board during the Public Comment section:

- A. Barbara Richard;
- B. Willie Bane; and
- C. Bob Jewitt.

There being no further business, the meeting was adjourned.

MINUTES approved this the 2nd day of March 2004.

Billy Jordan, President

Glenn Morris, Vice President

Dan Agee, Secretary

Carol Larsen, Director

Judy Spaht, Director