

MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE
FRANKLIN COUNTY WATER DISTRICT
HELD: FEBRUARY 8, 2005

THE STATE OF TEXAS

FRANKLIN COUNTY WATER DISTRICT

COUNTY OF FRANKLIN

On this the 8th day of February 2005, 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
CAROL LARSEN	DIRECTOR
TIM PHILHOWER	DIRECTOR

and with the following members absent: DAN AGEE.

Also present were Forrest Baker, Willie Bane, Roger Burks, John Edwards, D.W. Garrett, Karen Hollingsworth, Ken Johnson, Richard Larsen, Bill Miller, Lillie Bush-Reves, Moody 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 Tim Philhower, and SECONDED by Carol Larsen, 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 January 11, 2005 Minutes
2. Approval and Ratification of Payment of Bills
3. Approval of Unpaid Bills
4. Investment Report
5. Approval of Destruction of Records in Accordance with Records Control Schedule
6. New Lease Agreement for Beau Mark and Lindsey L. McKellar, .37 Acre Miscellaneous Tract and .14 Acre Miscellaneous Tract
7. Amendment to Lease Agreement (Replat) for Ray and Heather Balestri, Lots 7, 8 and 9, Section 1, South Shore
8. Amended and Restated Lease Agreement for:
 - A. LaRoy and Jane Thomas, Lots 91R and 92, Block L, Section 2, Kings Country; and
 - B. Ryan R. and Susan L. Agnew, Lots 25 and 26, Phase 2, Holiday Retreat
9. Affidavit of Termination of Leasehold for Pat and Kristi Galan, Lot 2, Block 1, Unit 2, Club Lake Estates

A copy of the Bills, Investment Report, New Lease Agreement, Amendment to Lease Agreement, Amended and Restated Lease Agreements, and Affidavit of Termination are attached hereto and made a part hereof.

Mr. D.W. Garrett, attorney for Herman and Jan Graffunder, addressed the board with a request to lease a 6.68 acre tract of land east of the dam that the Graffunders currently have fenced in. MOTION was made by Tim Philhower, and SECONDED by Carol Larsen, to decline the offer to lease the land in question at this time. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO". A copy of the request and a survey of the property is attached hereto and made a part hereof.

MOTION was made by Tim Philhower, and SECONDED by Glenn Morris, to adopt the Resolution with election precinct changes. 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 Glenn Morris, and SECONDED by Tim Philhower, to adopt the Resolution calling an election. 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 Carol Larsen, and SECONDED by Glenn Morris, to appoint Sheila Donica as the Early Voting Clerk and Trish Kuhl as the Deputy Early Voting Clerk. 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 Glenn 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 Carol Larsen, and SECONDED by Tim Philhower, to change the May board meeting to Tuesday, May 17th in order to canvass the election returns. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO".

Maintenance Supervisor John Edwards, Roger Burks of SemPipe L.P., and Forrest Baker of Bobcat Contracting LLC gave the board an overview concerning the pipeline that runs under the lake.

The Manager reported on the following items:

- A. Sale of fixed assets
- B. Progress of the Aquatic Plant Nursery
- C. Use of Franklin County Jail trustees in the clean-up of the parks

The following people addressed the Board during the public comment section:

- A. Karen Hollingsworth; and
- B. Willie Bane

There being no further business, the meeting was adjourned.

MINUTES approved this the 8th day of March 2005.

Billy Jordan, President

Glenn Morris, Vice President

ABSENT

Dan Agee, Secretary

Carol Larsen, Director

Tim Philhower, Director