

MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE
FRANKLIN COUNTY WATER DISTRICT
HELD: SEPTEMBER 20, 2005

THE STATE OF TEXAS
COUNTY OF FRANKLIN

FRANKLIN COUNTY WATER DISTRICT

On this the 20th day of September 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
BRUCE GATLIN	DIRECTOR

and with the following members absent: NONE.

Also present were J.R. Alphin, Willie Bane, Paul Constantine, Dave Chaffin, Richard Larsen, Lillie Bush-Reves, Bob Sehon, Moody Snider, Larry Sparks, Lee Ann Sparks, 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 Bruce Gatlin.

MOTION was made by Carol Larsen, and SECONDED by Glenn Morris, to approve the Consent Agenda as presented. 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 August 16, 2005 Minutes
2. Approval and Ratification of Payment of Bills
3. Investment Report
4. Replat and Amendment to Lease Agreement for Donny and Linda Owens, Lots 523 and 524B, Block L, Section 2, Kings Country
5. Amended and Restated Lease Agreement for:
 - A. Larry and Ann Adams, Lot 1, Phase 4, and 3.254 acres, Eagle Point;
 - B. Lisa A. Dodd, Lots 31 and 32, Unit 2, Pelican Bay;
 - C. Cypress Star, L.P., Lots 121 and 134, Phase 1, Snug Harbor; and
 - D. Don Morris, Lots 1 and 2, East Park
6. New Lease Agreement for:
 - A. S7 Investment, LLC, 1.6 acres, Pine Haven Estates;
 - B. James Edwin and Dianna E. Bratton, Lot 174, Block 36, Section 4, Kings Country; and
 - C. Billy and Lois Byrd and Lillian Gee, Lot 2, Northshore

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

MOTION was made by Tim Philhower, and SECONDED by Carol Larsen, to put a .0687 acre tract of unleased land in East Park out for bids with a minimum bid of \$2,000.00 and the requirement that the winning bidder tie the tract of land with another lot in East Park either with a replat or an Amended and Restated Lease Agreement. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO". A copy of the survey is attached hereto and made a part hereof.

Manager David Weidman reported to the Board that there had been several complaints from residents of the South Park Addition concerning disorderly behavior on Lots 4 and 5, which had been set aside for park area, and the boat ramp area. The Board authorized the Manager to send a letter to the lessees in South Park soliciting their comments regarding the District zoning these lots for single family residential.

The Board discussed the District's nuisance vegetation management plan and possible treatment proposals. MOTION was made by Tim Philhower, and SECONDED by Glenn Morris, to authorize the General Manager to proceed with entering into the Hydrilla Management Plan with Texas Parks and Wildlife with the plan not to exceed 1000 Triploid grass carp to be stocked in the initial stocking. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO". A copy of the plan is attached hereto and made a part hereof.

MOTION was made by Carol Larsen, and SECONDED by Tim Philhower, to authorize the General Manager to pursue the purchasing of grass carp at the best available price. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO".

MOTION was made by Bruce Gatlin, and SECONDED by Carol Larsen, to adopt the Resolution of support for the Marvin Nichols Reservoir. 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 accept the replat and amendment of Lot 46R, Block 7, Section 2, Tall Tree as presented. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO". A copy of the replat and Amendment to Lease Agreement is attached hereto and made a part hereof.

Director Larsen requested that the Board discuss the sedimentation and long term condition of Lake Cypress Springs.

The Manager reported on the following items:

- A. District sponsored CountryFest booth
- B. District reaching first trigger level in Drought Contingency Plan
- C. E-mails received by District
- D. County purchasing new repeater and possible costs that the District may have to incur

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

- A. Bob Sehon
- B. Willie Bane
- C. Paul Constantine
- D. Moody Snider
- E. Larry Sparks

At this time, the Board convened in Executive Session for the purpose of discussing personnel matters and employee evaluations. When the Board reconvened in Open Session at 10:04, the following action was taken:

MOTION was made by Tim Philhower, and SECONDED by Carol Larsen, to approve employee salaries as presented. 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 18th day of October 2005.

Billy Jordan, President

Glenn Morris, Vice President

Tim Philhower, Secretary

Carol Larsen, Director

Bruce Gatlin, Director