

MINUTES OF THE MEETING OF  
THE BOARD OF DIRECTORS OF THE  
FRANKLIN COUNTY WATER DISTRICT  
HELD: AUGUST 15, 2006

THE STATE OF TEXAS  
COUNTY OF FRANKLIN

FRANKLIN COUNTY WATER DISTRICT

On this the 15th day of August 2006, the Board of Directors of the Franklin County Water District convened in REGULAR SESSION at the District office located at 112 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
BRUCE GATLIN	DIRECTOR

and with the following members absent: TIM PHILHOWER.

Also present were J.R. Alphin, Willie Bane, Chris Brewton, B.F. Hicks, Dan Hoffman, Mary Ann Hoffman, Katie Nicastro, John Stephenson, 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 Glenn Morris, and SECONDED by Carol Larsen, 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 July 18, 2006 Minutes
2. Approval and Ratification of Payment of Bills
3. Approval of Unpaid Bills
4. Investment Report
5. Termination of Leasehold for John M. and Pamela J. Benedetto, (mutual termination), Lot 446, Pine Valley
6. Replat Amendment to Lease Agreement for:
  - A. Mike Burkhart, dba Spectrum Development Co., Common Area, .346 Ac., Lost Creek; and
  - B. John M. and Verna M. McDonald, Lot 11B, Lost Creek
7. Corrected Replat Amendment to Lease Agreement for John Christian Brewton and Todd M. Boeding, Lots 100 – 127, Waterways
8. Amended and Restated Lease Agreement for Todd and Belinda Box, Lots 99, 100, and 113, Phase 1, Snug Harbor

A copy of the Bills, Investment Report, Affidavit of Termination, Replat Amendments, Corrected Replat Lease Amendment, and Amended and Restated Lease Agreement is attached hereto and made a part hereof.

B.F. Hicks, on behalf of the Franklin County Historical Association, gave the Board an update on the status of the west end park area that had been leased to the Association and asked for an extension on the time limits that were set by that lease. The General Manager suggested that the wording of Section 7 of the lease be amended to extend the time limit of (a) the requested metes and bounds survey for an additional three years and (b) the requirement for a fence to be erected for an additional four years after the completion of the survey. MOTION was made by Carol Larsen, and SECONDED by Bruce Gatlin, to amend the lease as presented. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO".

The Board discussed the possibility of the consolidation of voting locations. They asked the General Manager to provide them with more information on some of the possibilities and to put the item back on the September agenda for discussion and possible action.

MOTION was made by Carol Larsen, and SECONDED by Glenn Morris, to adopt the final Drought Contingency Plan 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 Drought Contingency Plan is attached hereto and made a part hereof.

MOTION was made by Carol Larsen, and SECONDED by Bruce Gatlin, to amend the Paid Vacation section of the District's Employee Policy Manual as presented, to be made retroactive to July 28, 2006. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO". A copy of the Policy amendment is attached hereto and made a part hereof.

MOTION was made by Glenn Morris, and SECONDED by Carol Larsen, to designate the General Manager to be the Public Information Coordinator for the District. 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. Sheila Donica attending a Cash Handling Seminar
- B. September board meeting will remain on the third Tuesday of the month as usual
- C. J.R. Alphin updated the board on the repair and maintenance of the District's boat ramps

There being no further business, the meeting was adjourned.

MINUTES approved this the 19th day of September 2006.

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Billy Jordan, President

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Glenn Morris, Vice President

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ABSENT  
Tim Philhower, Secretary

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Carol Larsen, Director

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Bruce Gatlin, Director