

MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE
FRANKLIN COUNTY WATER DISTRICT
HELD: JULY 18, 2006

THE STATE OF TEXAS

FRANKLIN COUNTY WATER DISTRICT

COUNTY OF FRANKLIN

On this the 18th day of July 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

and with the following members absent: TIM PHILHOWER and BRUCE GATLIN.

Also present were Nicki Armstrong, Willie Bane, 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 Billy Jordan.

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 June 20, 2006 Minutes
2. Approval and Ratification of Payment of Bills
3. Approval of Unpaid Bills
4. Investment Report
5. New Lease Agreement for:
 - A. John S. McAnally, Lot 47, Unit 2, Pelican Bay; and
 - B. Stuart and Helene Burson, Lot 5, Block 11, Section 2, Tall Tree
6. Replat Amendment to Lease Agreement for:
 - A. Raymond and Sally Mitchell & Lee and Carol Hyman, Lots L1 and L144, Section 2, Lots 11 and 12, Block 55, Section 4, and a Part of King Shore Blvd., Section 4, Kings Country; and
 - B. Clistia S. Williams, Lot 87, Block 36, Section 4, Kings Country
7. Amended and Restated Lease Agreement for:
 - A. Robert J. and Elizabeth J. Foreman, Lots 337 and 338, Pine Valley;
 - B. Michael J. and Denise A. Clarke, Lots 18 and 19, Phase 1, Lands End;
 - C. Michael K. and Ashley F. Scott, Lots 8R and 41B-R, El Dorado Bay; and
 - D. Gary and Holly Steen, Lots 26 and 27, Block 36, Section 4, Kings Country

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

The Manager reported on the following items:

- A. Update on Conduit and Slope Inspection
- B. Required Director's open meetings training
- C. J.R. Alphin attending APMS conference in Portland, Oregon
- D. Texas Parks & Wildlife Fisheries news release
- E. Possibility of changing September board meeting

There being no further business, the meeting was adjourned.

MINUTES approved this the 15th day of August 2006.

Billy Jordan, President

Glenn Morris, Vice President

ABSENT
Tim Philhower, Secretary

Carol Larsen, Director

ABSENT
Bruce Gatlin, Director