

MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE
FRANKLIN COUNTY WATER DISTRICT
HELD: JULY 17, 2007

THE STATE OF TEXAS

FRANKLIN COUNTY WATER DISTRICT

COUNTY OF FRANKLIN

On this the 17th day of July 2007, 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:

TIM PHILHOWER	PRESIDENT
BILLY JORDAN	VICE PRESIDENT
BRUCE GATLIN	SECRETARY
RODNEY NEWSOM	DIRECTOR
DWAYNE BOLIN	DIRECTOR

and with the following members absent: NONE.

Also present were Dave Chaffin, Tony Hansen, Joe Kuhl, Ed Louthback, Brian Philhower, Lillie Bush-Reves, Gale Terhune, 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 Rodney Newsom.

MOTION was made by Billy Jordan, and SECONDED by Dwayne Bolin, 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 19, 2007 and July 5, 2007 Minutes
2. Approval and Ratification of Payment of Bills
3. Investment Report
4. Ratification of First Amendment to Amended and Restated Lease Agreement for Danielle Wood, Lots 11 and 12, Block 57, Section 4, Kings Country
5. Affidavit of Termination of Leasehold for Darnell and Rosella Newell, Lot 434, Pine Valley
6. New Lease Agreements for:
 - A. Baymon Marina LP, Lots 18, 19 and 20, Marina Point;
 - B. Lynn McCord and Katherine Nicaastro, Lot 35, South Park;
 - C. Lynn McCord and Katherine Nicaastro, Lot 39, South Park; and
 - D. Lynn McCord and Katherine Nicaastro, Lot 40, South Park

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

MOTION was made by Dwayne Bolin, and SECONDED by Billy Jordan, to adopt the resolution authorizing preparation of election proceedings and documents for financing improvements to the Franklin County Dam as presented. The President put the question and, after full discussion and deliberation thereon, all members presented voted "AYE". A copy of the resolution is attached hereto and made a part hereof.

The Manager reported on the following items:

- A. Staff teambuilding program

The following person addressed the Board during the Public Comment session:

- A. Joe Kuhl

There being no further business, the meeting was adjourned.

MINUTES approved this the 21st day of August 2007.

Tim Philhower, President

Billy Jordan, Vice President

Bruce Gatlin, Secretary

Rodney Newsom, Director

Dwayne Bolin, Director