

MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE
FRANKLIN COUNTY WATER DISTRICT
HELD: NOVEMBER 18, 2008

THE STATE OF TEXAS

FRANKLIN COUNTY WATER DISTRICT

COUNTY OF FRANKLIN

On this the 18th day of November 2008, 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 J.R. Alphin, Larry Coleman, Calvin Hovis, 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 Dwayne Bolin.

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:

- A. Approval and Ratification of Minutes from the October 21, 2008 Regular Meeting
- B. Ratification of Paid Bills
- C. Investment Report
- D. Amendment to Lease Agreements for:
 - 1. Steven R. and Melissa W. Utley, Lot 94, Block 36, Section 4, Kings Country; and
 - 2. Robert J. and Peggy Jean Hughes, Lot 3, Barker Creek
- E. Replat Lease Amendments for:
 - 1. Robert P. Potts, Lot 16 and North Half of Lot 17, El Dorado Bay; and
 - 2. Benjamin and Tracy Lange, Lots 2, 3 and 4, Phase 6, Eagle Point
- F. Termination of Leasehold for Philip Eugene Wetzell, Lot 370, Pine Valley

Copies of the Bills, Investment Report, Amendments to Lease, Replat Lease Amendments, and Affidavit of Termination are attached hereto and made a part hereof.

MOTION was made by Bruce Gatlin, and SECONDED by Rodney Newsom, to authorize the General Manager to proceed forward with the Mary King Park improvements 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 summary of improvements is attached hereto and made a part hereof.

MOTION was made by Dwayne Bolin, and SECONDED by Billy Jordan, to adopt the 2009 budget 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 budget is attached hereto and made a part hereof.

MOTION was made by Bruce Gatlin, and SECONDED by Rodney Newsom, to adopt the District's holiday list 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 holiday list is attached hereto and made a part hereof.

The General Manager reported on the following items:

- A. Franklin County Dam remediation project
- B. District offices being closed for Thanksgiving holiday

There being no further business, the meeting was adjourned.

MINUTES approved this the 16th day of December 2008.

Tim Philhower, President

Billy Jordan, Vice President

Bruce Gatlin, Secretary

Rodney Newsom, Director

Dwayne Bolin, Director