

MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE
FRANKLIN COUNTY WATER DISTRICT
HELD: MARCH 17, 2009

THE STATE OF TEXAS

FRANKLIN COUNTY WATER DISTRICT

COUNTY OF FRANKLIN

On this the 17th day of March 2009, 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
DWAYNE BOLIN	DIRECTOR

and with the following members absent: RODNEY NEWSOM.

Also present were J.R. Alphin, Lillie Bush-Reves, Larry Coleman, Joy Jones, 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 Dwayne Bolin, and SECONDED by Billy Jordan, 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 February 17, 2009 Regular Meeting
- B. Ratification of Paid Bills
- C. Investment Report
- D. Amended and Restated Lease Agreement for Max S. and Rosemary Buchwald, Lots L65R and L66, Section 2, Kings Country
- E. Termination of Leasehold for:
 - 1. Cayenne Development LLC, Greenbelt areas, Lots 1, 2, 3, 4, 5, 6, 7 and 8, Cypress Point; and
 - 2. Dean Thurman, Lot 46, Block 5, Section 2, Tall Tree
- F. Amendment to Lease Agreement (99 year extension) for William and Shirley McIntyre, Lot 18, Block 12, Section 2 and Lot 36, Block 5, Section 2, Tall Tree

Copies of the Bills, Investment Report, Amended and Restated Lease, Affidavits of Termination, and Amendment to Lease are attached hereto and made a part hereof.

The Board discussed the possibility of accepting bids and re-leasing lots that have been terminated on. MOTION was made by Billy Jordan, and SECONDED by Dwayne Bolin, to advertise for bids on the available lots as discussed. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO". A copy of the available lots is attached hereto and made a part hereof. Following is a breakdown as discussed:

- 1. Panther Creek Pass, Lot 24, Phase 1 – Minimum bid of \$50,000, advance lease fee, back fees and taxes owed, re-leasing & recording fees
- 2. Kings Country, Lot 75R, Block 36, Section 4 – Minimum bid of \$35,000, advance lease fee, back fees and taxes owed, re-leasing & recording fees
- 3. All other lots – No minimum bid, advance lease fee, back taxes owed, re-leasing & recording fees

MOTION was made by Dwayne Bolin, and SECONDED by Billy Jordan, to authorize the disposal of obsolete assets 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 assets is attached hereto and made a part hereof.

MOTION was made by Dwayne Bolin, and SECONDED by Bruce Gatlin, to fund the Northeast Texas Water Coalition at the level of \$2500.00. 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 county hiring an Elections Administrator and how that might affect the District. No action was taken at this time.

The General Manager reported on the following items:

- A. Franklin County Dam remediation project
- B. Mary King Park construction project
- C. Cancelling the May 9, 2009 Board of Directors election

The following people addressed the Board during the public comment session: Lillie Bush-Reves and Joy Jones.

There being no further business, the meeting was adjourned.

MINUTES approved this the 21st day of April 2009.

Tim Philhower, President

Billy Jordan, Vice President

Bruce Gatlin, Secretary

ABSENT
Rodney Newsom, Director

Dwayne Bolin, Director