

MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE
FRANKLIN COUNTY WATER DISTRICT
HELD: MAY 19, 2009

THE STATE OF TEXAS
COUNTY OF FRANKLIN

FRANKLIN COUNTY WATER DISTRICT

On this the 19th day of May 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
RODNEY NEWSOM	DIRECTOR
DWAYNE BOLIN	DIRECTOR

and with the following members absent: BRUCE GATLIN.

Also present were J.R. Alphin, Larry Coleman, Angie Corbell-Nichols, Gary Cunningham, Carole Dunn, Alice Kirkelie, Michael Long, Bob McFarland, Lloyd Parker, Leon Pless, Mike Taylor, 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.

At this time, the Board moved ahead to Discussion Item A and allowed Bob McFarland to introduce himself as a potential Director for Place 1. After this introduction, Mr. McFarland left the meeting.

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 April 21, 2009 Regular Meeting
- B. Ratification of Paid Bills
- C. Investment Report
- D. Approval of Destruction of Records
- E. New Lease Agreements for:
 - 1. First National Bank of Gilmer, Lots 1 – 8, 3.843 Acre Greenbelt, 4.6932 Acre Greenbelt, and .0306 Acre, Cypress Point;
 - 2. Ben and Teri Weems, Lot 1, Block 52, Section 4, Kings Country;
 - 3. John W. Hagan, Lot 75, Block 36, Section 4, Kings Country;
 - 4. John W. Hagan, Lot 22, Block 37, Section 4, Kings Country;
 - 5. John W. Hagan, Lot 32, Block 37, Section 4, Kings Country;
 - 6. John W. Hagan, Lot 2, Block 38, Section 4, Kings Country;
 - 7. John W. Hagan, Lot 4, Block 38, Section 4, Kings Country;
 - 8. John W. Hagan, Lot 2, Block 52, Section 4, Kings Country;
 - 9. John W. Hagan, Lot 3, Block 52, Section 4, Kings Country;
 - 10. Ronald and Eileen Davis, Lot 5, Block 56, Section 4, Kings Country; and
 - 11. Bradley S. Akins, Lot 15, Block 35, Section 4, Kings Country
- F. Replat Amendment to Lease Agreement for Daniel J. and Lisa Brummer, Lots 11, 12, 13 & 14, Phase 2, Twin Cove Estates
- G. Ratify Action of General Manager, Making Terminated Lots Available for Lease.

Copies of the Bills, Investment Report, List of Records Destruction, New Leases, and Replat Amendment are attached hereto and made a part hereof.

The General Manager introduced the two new lake patrol officers, Mike Taylor and Angie Corbell-Nichols, to the Board.

MOTION was made by Rodney Newsom, and SECONDED by Dwayne Bolin, to adopt the Resolution canvassing the election returns 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 Resolution is attached hereto and made a part hereof.

Sheila Donica administered the oath of office to Billy Jordan. The chair was then turned over to General Manager David Weidman for the purpose of electing a new President of the Board.

MOTION was made by Billy Jordan to nominate Tim Philhower as President. MOTION was made by Rodney Newsom, and SECONDED by Billy Jordan, to cease nominations. MOTION was made by Dwayne Bolin, and SECONDED by Billy Jordan, to elect Tim Philhower President. The General Manager put the question and all members present voted "AYE". NONE voted "NO". Tim Philhower was declared President by acclamation and took the chair.

MOTION was made by Tim Philhower to nominate Billy Jordan as Vice President. MOTION was made by Rodney Newsom, and SECONDED by Dwayne Bolin, to cease nominations. MOTION was made by Dwayne Bolin, and SECONDED by Rodney Newsom, to elect Billy Jordan Vice President. The President put the question and all members present voted "AYE". NONE voted "NO". Billy Jordan was declared Vice President by acclamation.

MOTION was made by Tim Philhower to nominate Rodney Newsom as Secretary. MOTION was made by Billy Jordan, and SECONDED by Tim Philhower, to cease nominations. MOTION was made by Billy Jordan, and SECONDED by Dwayne Bolin, to elect Rodney Newsom Secretary. The President put the question and all members present voted "AYE". NONE voted "NO". Rodney Newsom was declared Secretary by acclamation.

The Board discussed the necessity of appointing someone to fill the position of Director of Place 1. Earlier in the meeting, Bob McFarland expressed his interest. At this time, Gary Cunningham introduced himself to the Board and also expressed an interest in serving on the Board. No action was taken at this time.

The Board discussed enacting an administrative penalty for non-compliance with permitting requirements. Lloyd Parker, from Kings Country, addressed the Board in regards to this issue. 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

There being no further business, the meeting was adjourned.

MINUTES approved this the 16th day of June 2009.

Tim Philhower, President

Billy Jordan, Vice President

ABSENT
Bruce Gatlin, Secretary

Rodney Newsom, Director

Dwayne Bolin, Director