

MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE
FRANKLIN COUNTY WATER DISTRICT
HELD: MARCH 16, 2010

THE STATE OF TEXAS

FRANKLIN COUNTY WATER DISTRICT

COUNTY OF FRANKLIN

On this the 16th day of March, the Board of Directors of the Franklin County Water District convened in REGULAR SESSION at City Hall located at 109 North Kaufman Street in Mount Vernon, Texas, with the following members present:

TIM PHILHOWER	PRESIDENT
BILLY JORDAN	VICE PRESIDENT
RODNEY NEWSOM	SECRETARY
DWAYNE BOLIN	DIRECTOR
GARY CUNNINGHAM	DIRECTOR

and with the following members absent: NONE.

Also present were Joe Thornhill, Lou Thornhill, Jeff Weyandt, 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 Rodney Newsom, 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 January 19, 2010 Regular Meeting
- B. Ratification of Paid Bills
- C. Investment Report
- D. ~~Termination of Leasehold for Tammye Rushing, Lot 2, Block 10, Section 2, Tall Tree~~
- E. New Lease Agreement for Melody R. Guest, Lot 46, Phase 1, Eagle Point
- F. Amended and Restated Lease Agreement for Craig R. and Amy Edwards, Lots 6 and 7, Block 40, Section 4, Kings Country
- G. Utility Easement Agreement for Stephen R. and Kathryn H. Leavell, Lot 389, Pine Valley
- H. Replat Amendment to Lease Agreement for Harvey and Myra Kay Conklin, Lots L519 and L521B, Section 2, Kings Country

Copies of the Bills, Investment Report, New Lease, Amended and Restated Lease, Utility Easement and Replat Amendment are attached hereto and made a part hereof.

At this time, Jeff Weyandt from Fox, Byrd and Company, P.C. gave a presentation of the 2009 Financial Statements and Independent Auditor's Report to the Board.

MOTION was made by Dwayne Bolin, and SECONDED by Gary Cunningham, to approve the 2009 Financial Statements and Independent Auditor's Report 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 Audit is attached hereto and made a part hereof.

MOTION was made by Billy Jordan, and SECONDED by Rodney Newsom, to approve the Franklin County Appraisal District's 2010 - 2011 operating budget as presented. 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 creating a Camp Host program for the District's parks. Joe and Lou Thornhill addressed the Board on their experiences as camp hosts at other parks and the advantages this program could provide for the District. No action was taken at this time.

The General Manager reported on the following items:

- A. Franklin County Dam remediation project
- B. Progress of the District office remodels
- C. City of Mt. Vernon's 100th anniversary celebration

There being no further business, the meeting was adjourned.

MINUTES approved this the 20th day of April 2010.

Tim Philhower, President

Billy Jordan, Vice President

Rodney Newsom, Secretary

Dwayne Bolin, Director

Gary Cunningham, Director