

MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE
FRANKLIN COUNTY WATER DISTRICT
HELD: JANUARY 18, 2011

THE STATE OF TEXAS
COUNTY OF FRANKLIN

FRANKLIN COUNTY WATER DISTRICT

On this the 18th day of January 2011, 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	SECRETARY
DWAYNE BOLIN	DIRECTOR
GARY CUNNINGHAM	DIRECTOR

and with the following members absent: NONE.

Also present were J.R. Alphin, Larry Coleman, 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 Dwayne Bolin.

MOTION was made by Rodney Newsom, and SECONDED by Gary Cunningham, 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 November 16, 2010 Regular Meeting
- B. Ratification of Paid Bills
- C. Investment Report
- D. Replat and Replat Amendment for 582 Windy Point, LLC, Lots 86 and 87, Block 13, Section 3, Tall Tree
- E. New Lease Agreements for:
 - 1. Dustin Pierce and Tiffany Arndt, Lot 3, Block 62, Section 4, Kings Country;
 - 2. Samuel and Joanne Douglass, Lot 55, Block 1, Section 1, Tall Tree;
 - 3. John and Carolyn Sharbaugh, Lots 46 and 47, Block 13, Section 3, Tall Tree; and
 - 4. Timothy and Cindy Seymore, Lot L151, Section 2, Kings Country
- F. Termination of Leasehold for Michael and Tammy Amyx, Lot 14, Block 20, Section 3, Tall Tree

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

MOTION was made by Billy Jordan, and SECONDED by Dwayne Bolin, to amend Article 5 of the District's Rules and Regulations 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 amended rule is attached hereto and made a part hereof.

MOTION was made by Dwayne Bolin, and SECONDED by Gary Cunningham, to approve the Camp Host (Volunteer) job description 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 job description is attached hereto and made a part hereof.

The Board discussed developing a policy to provide management guidance regarding the District's unrestricted fund balance. No action was taken at this time.

The General Manager reported on the Franklin County Dam remediation project and the upcoming revision of the District's website.

There being no further business, the meeting was adjourned.

MINUTES approved this the 15th day of February 2011.

Tim Philhower, President

Billy Jordan, Vice President

Rodney Newsom, Secretary

Dwayne Bolin, Director

Gary Cunningham, Director