

MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE
FRANKLIN COUNTY WATER DISTRICT
HELD: JUNE 19, 2012

THE STATE OF TEXAS
COUNTY OF FRANKLIN

FRANKLIN COUNTY WATER DISTRICT

On this the 19th day of June 2012, 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
DWAYNE BOLIN	DIRECTOR
GARY CUNNINGHAM	DIRECTOR

and with the following members absent: BILLY JORDAN and RODNEY NEWSOM.

Also present were J.R. Alphin, Lillie Bush-Reves, Trish Kuhl, Ed Loutherback, Tim Steiner, 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 Gary Cunningham, 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 May 15, 2012 Regular Meeting
- B. Ratification of Paid Bills
- C. Investment Report
- D. Ratification of Amended and Restated Lease Agreement for A. Douglas and Susan J. Moore, Lots 177 and 178, Block 36, Section 4, Kings Country
- E. Ratification of First Amendment to Fully Amended and Restated Operating Agreement for Philecon, Inc., dba Tall Tree Marina
- F. Ratification of New Lease Agreement for Kent E. and Melanie Reimann, Lot 25R, Phase 2, The Oaks

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

MOTION was made by Dwayne Bolin, and SECONDED by Gary Cunningham, to amend Article 14 of the District's Rules and Regulations and the fee schedule to include requiring a permit for the staining, water treatment application and / or painting of pier or boathouse structures 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 and fee schedule is attached hereto and made a part hereof.

MOTION was made by Gary Cunningham, and SECONDED by Dwayne Bolin, to amend Article 17.7 of the District's Rules and Regulations to clarify containment boom requirements 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.

The General Manager reported the fireworks show, the purchase of the slope mower, capital improvements, Walleye wireless, computer reservation system and the acceptance of credit card payments.

There being no further business, the meeting was adjourned.

Minutes approved this the 17th day of July 2012.

Tim Philhower, President

ABSENT
Billy Jordan, Vice President

ABSENT
Rodney Newsom, Secretary

Dwayne Bolin, Director

Gary Cunningham, Director