

MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE
FRANKLIN COUNTY WATER DISTRICT
HELD: SEPTEMBER 18, 2012

THE STATE OF TEXAS
COUNTY OF FRANKLIN

FRANKLIN COUNTY WATER DISTRICT

On this the 18th day of September 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
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, 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 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 August 21, 2012 Regular Meeting
- B. Ratification of Paid Bills
- C. Investment Report
- D. New Lease Agreement for:
 1. Benjamin and Tracy Lange, Lot 3R, Phase 6, Eagle Point; and
 2. John Brian and Amanda K. Philhower, Lot 7, Block 59, Section 4 and .251 Acres, Part of King Kent Court, Section 4, Kings Country

Copies of the Bills, Investment Report, and New Lease Agreements are attached hereto and made a part hereof.

At this time the President closed the regular meeting to go into the public hearing on the District's proposed 2012 tax rate for debt service. The public made no comments and the board closed the public hearing and went back into regular session.

MOTION was made by Billy Jordan, and SECONDED by Dwayne Bolin, to adopt the 2012 tax rate for debt service at \$0.0272 per \$100 of assessed value. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO".

MOTION was made by Dwayne Bolin, and SECONDED by Rodney Newsom, to adopt the LEMIT Model Policy on Eyewitness Identification 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 policy is attached hereto and made a part hereof.

The Board had a discussion regarding the leasing of property in front of current leaseholds.

The General Manager reported on the capital improvements.

At 6:37 p.m., the Board convened in Executive Session for the purpose of discussing personnel matters and employee evaluations. When the Board reconvened in Open Session at 7:06, the following action was taken: MOTION was made by Billy Jordan, and SECONDED by Rodney Newsom, to approve the employee compensation packet as discussed. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO".

There being no further business, the meeting was adjourned.

Minutes approved this the 16th day of October 2012.

Tim Philhower, President

Billy Jordan, Vice President

Rodney Newsom, Secretary

Dwayne Bolin, Director

Gary Cunningham, Director