

MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE
FRANKLIN COUNTY WATER DISTRICT
HELD: JULY 17, 2012

THE STATE OF TEXAS
COUNTY OF FRANKLIN

FRANKLIN COUNTY WATER DISTRICT

On this the 17th day of July 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, Lillie Bush-Reves, Trish Kuhl, Jerry Hammond, 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 June 19, 2012 Regular Meeting
- B. Ratification of Paid Bills
- C. Investment Report
- D. Ratification of Replat Amendment for David and Janis Phillips, Lots L40, L41 and Access Lot #01, Section 2, Kings Country
- E. Ratification of New Lease Agreement for John D. and Dee Ann Carter, Lots 4 and 4A, Spring Bluffs
- F. Approval of Destruction of Records in Accordance with Records Control Schedule

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

The Board discussed the possibility of accepting bids and re-leasing lots that have been terminated on. MOTION was made by Dwayne Bolin, and SECONDED by Billy Jordan, to advertise for bids on the available lots as discussed. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO". A copy of the available lots is attached hereto and made a part hereof. Following is a breakdown as discussed:

1. Panther Creek Pass, Lot 24, Phase 1 – Minimum bid of: bonus payment \$35,000, advance lease fee, back fees and taxes owed, re-leasing & recording fees
2. All other lots – Minimum bid of: advance lease fee, back fees and taxes owed, re-leasing & recording fees

MOTION was made by Gary Cunningham, and SECONDED by Rodney Newsom, to approve the renewal of the District's employee health insurance 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 renewal is attached hereto and made a part hereof.

The Board discussed Article 14.16 (f) of the District's rules and regulations regarding the square footage of piers / boathouses. No action was taken.

MOTION was made by Billy Jordan, and SECONDED by Dwayne Bolin, to authorize the General Manager to amend Article 14.16 (b) of the District's rules and regulations to allow the installation of outdoor kitchen facilities in boathouses as long as they complied with the septic requirements. The President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO". A copy of the amendment is attached hereto and made a part hereof.

The Board discussed the possibility of allowing permitted work barges to be stored on non-leased District property by the emergency spillway. Jerry Hammond, owner of JH3 Construction and a work barge permit holder, addressed the Board regarding this issue. No action was taken.

The General Manager reported on the capital improvements.

There being no further business, the meeting was adjourned.

Minutes approved this the 21st day of August 2012.

Tim Philhower, President

Billy Jordan, Vice President

Rodney Newsom, Secretary

Dwayne Bolin, Director

Gary Cunningham, Director