

MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE
FRANKLIN COUNTY WATER DISTRICT
HELD: NOVEMBER 19, 2013

THE STATE OF TEXAS
COUNTY OF FRANKLIN

FRANKLIN COUNTY WATER DISTRICT

On this the 19th day of November 2013, 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:

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

and with the following members absent: NONE.

Also present were J.R. Alphin, Ron Barker, Lillie Bush-Reves, Max Higgs, 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.

Billy Jordan gave the invocation.

MOTION was made by Tim Philhower, 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 October 15, 2013 Regular Meeting
- B. Ratification of Paid Bills
- C. Investment Report
- D. New Lease Agreement for Robert and Marianne Tuggle, Lot L167, Section 2, Kings Country
- E. Re-plat Amendment for:
 1. RKBK Management, LLC, Lot 2R, El Dorado Bay; and
 2. Brian Philhower and Amanda Philhower, Lot 16R-2, Block 60, Section 4, Kings Country
- F. Amended and Restated Lease Agreement for:
 1. Brian and Melissa Sipes, Lots 38 and 39, Phase 1, Eagle Point; and
 2. Swanfork Properties, Lots 57 & 58, Block 13, Section 3, Tall Tree
- G. Amendment to Lease Agreement (99-Year Extension) for Timothy and Brenda Fielding, Lot 14, Marina Point
- H. Termination of Leasehold for:
 1. David and Janice Potts, Lot 11, Block 62, Section 4, Kings Country; and
 2. Robert & Tara Foerster, Lot 1A, Phase 2, Snug Harbor

Copies of the Bills, Investment Report, New Lease, Re-plat Amendments, Amended and Restated Lease Agreements, 99-Year Extension Amendment and Terminations are attached hereto and made a part hereof.

MOTION was made by Gary Cunningham, and SECONDED by Tim Philhower, to approve the 2014 Budget 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 Budget is attached hereto and made a part hereof.

MOTION was made by Billy Jordan, and SECONDED by Dwayne Bolin, to approve the 2013 Amended Budget 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 Budget is attached hereto and made a part hereof.

Ron Barker, lessee of Lot 9K, Phase 7 of Northshore, and Max Higgs, president of Northshore POA, both addressed the Board regarding the zoning of Lot 9K. It is currently zoned for Real Estate usage. The Board discussed the issue and agreed to enter into a new lease agreement with Mr. Barker which would zone the lot for Commercial use for a period of two years, after which time, if no commercial business had been established, then the lot would be zoned Single Family. MOTION was made by Dwayne Bolin and SECONDED by Billy Jordan, to approve the new lease agreement with Mr. Barker 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 New Lease Agreement is attached hereto and made a part hereof.

MOTION was made by Gary Cunningham, and SECONDED by Tim Philhower, to cancel the December Board meeting. 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 21st day of January 2014.

Rodney Newsom, President

Gary Cunningham, Vice President

Billy Jordan, Secretary

Dwayne Bolin, Director

Tim Philhower, Director