

MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE
FRANKLIN COUNTY WATER DISTRICT
HELD: SEPTEMBER 17, 2013

THE STATE OF TEXAS

FRANKLIN COUNTY WATER DISTRICT

COUNTY OF FRANKLIN

On this the 17th day of September 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:

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

and with the following members absent: RODNEY NEWSOM.

Also present were Kevin Adley, J.R. Alphin, Lillie Bush-Reves, Pam Buttrick, Jerry Hammond, Reeves Hayter, Max Higgs, Brian Philhower, David Weidman and Sheila Donica.

The Vice-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 Dwayne Bolin, to approve the consent agenda as presented. The Vice-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 20, 2013 Regular Meeting
- B. Ratification of Paid Bills
- C. Investment Report
- D. Re-plat Amendment to Lease Agreement for Richard and Janis Stevens, Lots L116 and part of L115, Section 2, Kings Country
- D. New Lease Agreement for:
 1. John Gregory and Phyllis A. Houx, Lot 4R, El Dorado Bay;
 2. Joshua and Jami Patterson, Lot 90, Phase 5, Northshore; and
 3. Jeffrey J. and Patricia J. Soerens, Lot 87R, Block 36, Section 4, Kings Country

Copies of the Bills, Investment Report, Re-plat Amendment and New Leases are attached hereto and made a part hereof.

At this time the Vice-President closed the regular meeting to go into the public hearing on the District's proposed 2013 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 2013 tax rate for debt service at \$0.0260 per \$100 of assessed value. The Vice-President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO".

Brian Philhower addressed the Board with a request to extend his deadline for re-platting Lot 7, Block 59, Section 4 and .251 acres, Section 4 in Kings Country. MOTION was made by Billy Jordan, and SECONDED by Dwayne Bolin, to extend the deadline for until October 14, 2013. The Vice-President put the question and, after full discussion and deliberation thereon, the following members present voted "AYE": Billy Jordan, Dwayne Bolin and Gary Cunningham. NONE voted "NO". Tim Philhower abstained.

Kevin Adley, with RKBK Management, LLC, addressed the Board with a request to lease a portion of District property in front of his leasehold, Lot 2, El Dorado Bay, for a \$3.00 per square foot bonus payment. After discussing the issue, the Board countered with an offer to lease the additional property for a \$5.00 per square foot bonus payment. Mr. Adley agreed so MOTION was made by Dwayne Bolin, and SECONDED by Tim Philhower, to lease RKBK Management, LLC an additional 903 square feet of land with a bonus payment of \$5.00 per square foot. The Vice-President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO". A copy of the proposal is attached hereto and made a part hereof.

Reeves Hayter of Hayter Engineering addressed the Board with a proposal to do the engineering on the renovation of the Morning Glory containment structure. MOTION was made by Tim Philhower, and SECONDED by Billy Jordan, to accept the proposal from Hayter Engineering as presented. The Vice-President put the question and, after full discussion and deliberation thereon, all members present voted "AYE". NONE voted "NO". A copy of the proposal is attached hereto and made a part hereof.

At 6:51 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 7:15, the following action was taken: MOTION was made by Billy Jordan, and SECONDED by Tim Philhower, to approve the employee compensation packet as discussed. The Vice-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 15th day of October 2013.

ABSENT

Rodney Newsom, President

Gary Cunningham, Vice President

Billy Jordan, Secretary

Dwayne Bolin, Director

Tim Philhower, Director