

MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE
FRANKLIN COUNTY WATER DISTRICT
HELD: APRIL 21, 2015

THE STATE OF TEXAS
COUNTY OF FRANKLIN

FRANKLIN COUNTY WATER DISTRICT

On this the 21st day of April 2015, 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, Lillie Bush-Reves, Brad Castleberry, Jenny Dennis, Don Jancosek, Cristi Ryan, Chris Ward, 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. Motion carried unanimously. The Consent Agenda was as follows:

- A. Approval and Ratification of Minutes from the March 17, 2015 Regular Meeting
- B. Ratification of Paid Bills
- C. Investment Report
- D. New Lease Agreement for:
 - 1. Michael & Crystal A. Androvett, Lots 7, 8, 9 & 10R and Sublots 8, 9 & 10, Whippoorwill Commons West;
 - 2. Cheryl Devoto, Lot 2, Block 21, Section 3, Tall Tree; and
 - 3. Craig & Christina Barth, Lot 170, Block 36, Section 4, Kings Country
- E. Amended and Restated Lease Agreement for:
 - 1. Keith Clouse & Jami Taverna-Clouse, Lots 75 and 105, Block 13, Section 3, Tall Tree;
 - 2. William R. Schucany Living Trust, Lots 341, 342, 347 & 348, Pine Valley;
 - 3. Jarsel & Zahi Pursell, Lots 333 & 334, Pine Valley; and
 - 4. Kathleen R. Watson, Lots 22 & 23, Phase 2, Panther Creek Pass
- F. Amendment to Lease Agreement (99-Year Extension) for Keith Clouse & Jami Taverna-Clouse, Lots 75 and 105, Block 13, Section 3, Tall Tree

Copies of the Bills, Investment Report, New Leases, Amended and Restated Leases and Amendment to Lease are attached.

MOTION was made by Billy Jordan, and SECONDED by Dwayne Bolin, to amend the 2015 Budget as presented. Motion carried unanimously. A copy of the amended Budget is attached.

MOTION was made by Gary Cunningham, and SECONDED by Dwayne Bolin, to allow the General Manager to accept the construction proposal to restore the main office facade to whomever he deems acceptable. Motion carried unanimously.

MOTION was made by Billy Jordan, and SECONDED by Dwayne Bolin, to approve the 2015-2016 Franklin County Appraisal District adopted budget as presented. Motion carried unanimously.

Cristi Ryan addressed the Board regarding a large submerged concrete area in front of their Lot L164R, Section 2 in Kings Country and requested to lease additional property to construct a retaining wall around the structure. MOTION was made by Tim Philhower, and SECONDED by Dwayne Bolin, to allow the Ryans' to replat and lease approximately 1251 square feet with a \$5 per square foot bonus payment. Motion carried unanimously. A copy of the request is attached.

The General Manager reported on the status of the new RV pad construction in Walleye Park.

The Board convened in Executive Session with their attorney for the purpose of discussing pending or contemplated litigation. When the Board reconvened in Open Session at 7:25, the following action was taken: MOTION was made by Tim Philhower, and SECONDED by Dwayne Bolin, to authorize the General Manager and the District's attorney to bring legal action against Freese and Nichols, Inc. in connection with the dam remediation.

At 7:26 p.m., the Board convened in another Executive Session with their attorney for the purpose of discussing pending or contemplated litigation. When the Board reconvened in Open Session at 8:05, no action was taken.

There being no further business, the meeting was adjourned.

Minutes approved this the 19th day of May 2015.

Rodney Newsom, President

Gary Cunningham, Vice President

Billy Jordan, Secretary

Dwayne Bolin, Director

Tim Philhower, Director