

MINUTES OF THE MEETING OF  
THE BOARD OF DIRECTORS OF THE  
FRANKLIN COUNTY WATER DISTRICT  
HELD: OCTOBER 9, 2018

THE STATE OF TEXAS  
COUNTY OF FRANKLIN

FRANKLIN COUNTY WATER DISTRICT

On this the 9th day of October 2018, 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	PRESIDENT
BILLY JORDAN	VICE PRESIDENT
RODNEY NEWSOM	SECRETARY
JENNY DENNIS	DIRECTOR
CARMEN SPARKS	DIRECTOR

and with the following members absent: NONE.

Also present were Lillie Bush-Reves, Michael Redar, 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.

A moment of silence was recognized.

No one spoke during the Public Comment session.

MOTION was made by Billy Jordan, and SECONDED by Rodney Newsom, to approve the consent agenda as amended. Motion carried unanimously. The Consent Agenda was as follows:

- A. Approval and Ratification of Minutes from the September 18, 2018 Regular Meeting
- B. Approval of Paid Bills
- ~~C. Termination of Leasehold for Charlotte Walters, Lot 1B, Snug Harbor~~
- D. Approval of Quarterly Investment Report

Copies of the Bills and Investment Report are attached.

The Board discussed the proposed 2019 budget and the proposed 1018 amended budget. No action was taken.

The General Manager reported on the following items:

- A. Lease Agreement for:
  - 1. Shannon Clay and Wayne Clay, Lots 15 and 31, Phase 3, Eagle Point Subdivision; and
  - 2. Teri L. Williams, Lots 25 and 26, South Park Addition
- B. Replat Amended and Restated Lease Agreement for:
  - 1. Ricky Don Self, Lots 3 and 4, Pine Tree Shores Addition; and
  - 2. Thomas Allen and Shelly Allene Reed, Lot 15, Phase 2, Northshore Addition
- C. Amended and Restated Lease Agreement for:
  - 1. R. Douglas and Jayne M. Orr, Lot 30, South Shore Addition and Lot WF7, Phase 2, Twin Cove Estates;
  - 2. Terry Michael and Maralee Green, Lots 1 and 2, Cypress Cove Estates;
  - 3. Lyndon C. and Cassidy M. Hewitt, Lot 358B, Pine Valley Subdivision; and
  - 4. Josh and Toni Kindiger, Lots 360B and 361B, Pine Valley Subdivision

D. Amendment to Lease Agreement (99-Year Extension) for Douglas E. Chriss, Sr. and Lola V. Chriss, Lots 309 and 310, Phase 3, Snug Harbor Estates

The Board convened in Executive Session at 6:33 to consult with their attorney regarding the litigation with Freese & Nichols, Inc. and Earth Builders, L.P. regarding the dam remediation issue. When the Board reconvened in Open Session at 7:32, the following action was taken: MOTION was made by Billy Jordan, and SECONDED by Jenny Dennis, to authorize the General Manager to negotiate settlement based on the discussion in Executive Session, including identified financial terms, and that such negotiated terms are subject to the final approval of the Board of Directors. Motion carried unanimously.

There being no further business, the meeting was adjourned.

Minutes approved this the \_\_\_ day of November 2018.

---

Gary Cunningham, President

---

Billy Jordan, Vice President

---

Rodney Newsom, Secretary

---

Jenny Dennis, Director

---

Carmen Sparks, Director