

**Minutes of the Bartonville Water Supply Corporation  
Board of Directors Meeting  
Monday, December 20, 2004  
Bartonville Water Supply Corporation Office  
1911 East Jeter Road  
Bartonville, Texas 76226**

**1. Call to Order.**

President Paulson called the meeting of the Board of Directors of Bartonville Water Supply Corporation to order at 7:06 p.m. on Monday, December 20, 2004 at the corporation office, 1911 East Jeter Road, Bartonville, Texas.

**Directors in Attendance**

Michael Paulson, President  
Larry Kaufman, Secretary-Treasurer  
Scott Kilpatrick  
Bill Wilkinson  
Lloyd Hanson

**Directors Absent**

Dale Mutschler  
Thomas Greaves, Vice-President

**Consultants in Attendance**

Jennifer Drury, CPA  
Wayne Ginn, PE

**Staff in Attendance**

Jim Leggieri, General Manager  
Dawn Hicks, Administrative Assistant

**2. Executive Session Concerning:**

President Paulson announced at 7:06 pm. that the Board would convene in Executive Session concerning:

- a) All Matters Concerning the Broome Road Waterline Project, Pursuant to Government Code, Section 551.072.
- b) All Matters Concerning the Town of Flower Mound's Request Regarding Water Service/Soccer Complex, Pursuant to Government Code, Section 551.072.
- c) All Matters Concerning Personnel, Pursuant to Government Code, Section 551.074

The Board took no action and reconvened in open session at 7:50 pm.

**3. Public Forum**

No one was present.

**4. Approve the Minutes of the November 15, 2004 Board Meeting.**

Motion by Kilpatrick and second by Wilkinson to accept the minutes of the November 15, 2004, Board meeting. Motion carried unanimously.

**5. Approve the November 2004 Disbursements and Financial Reports.**

Drury stated that Kaufman has requested a modification to the Capital Project composite worksheet. Kaufman explained that the change would give the Board a clearer picture of funding for individual projects.

Drury stated that the ITU system is operational and assisted BWSC in reaching utility cost goals for the month. Kaufman explained to the Board that the programming needed is now complete and this will have a positive effect on water cost. Motion by Kaufman and second by Wilkinson to accept the Disbursements and Financial Reports for November, 2004. Motion carried unanimously.

**6. Approve the 2004 Audit Engagement Letter with Hankins, Eastup, Deaton, Tonn & Seay.**

Drury stated that the firm understands the water business and this makes the auditing process most efficient. Motion by Kaufman and second by Hanson to approve the 2004 Audit Engagement Letter. Motion carried unanimously.

**7. Discussion and Action on All Matters Regarding the Broom Road Waterline Project.**

Kaufman requested this matter be deferred to next month and the Board agreed. Broome Waterline project will be added to the agenda for next months meeting.

**8. Discussion and Action on All Matters Concerning Personnel.**

The Board commended Leggieri for his leadership and management skills demonstrated this year. Leggieri stated Robert Sillaway has made great strides this year. He has the professionalism and the knowledge to do well in his current position. Eric Laird has passed the C license exam and has performed his job well.

Paulson asked Leggieri, how the Board could help him in the coming year? Leggieri stated that in the past the Board has been supportive and trusting in the decisions he makes with the understanding that a great deal of thought has been put into the decision before bringing it to the Board. Leggieri advised the Board that the ITU program used to the maximum potential and the upgrade to the SKADA radio system would increase efficiency. Leggieri stated he would also like to be more involved in ongoing training seminars and community projects in regard to water supply. The Board and Leggieri agreed that the three items to focus on for 2005 would be customer service, water cost, and training. Motion by Kaufman

and second by Kilpatrick to set Leggieri's annual salary to 86,800. Motion carried unanimously.

**9. Discussion and Action on all Matters Concerning the Town of Flower Mound's Request Regarding Water Service/Soccer Complex.**

No discussion.

**10. Discussion and Action on All Matters Concerning the Equity Buy-in Fee.**

Kaufman stated that the formulas currently used need to be reevaluated. Kaufman agreed to work with Drury on the current formulas and make changes if needed.

**11. Discussion and All Matters Concerning the Non-potable bulk water rate.**

Drury stated that in 2004 there was not much interest in the Non-potable bulk water rate but 2005 should have more opportunity with the new drilling that is planned for the area. Drury suggested that per gallon charge be changed to \$24.14 per 1,000 gallons. The bulk water rate is for winter months only, during the summer the regular rates will be charged. Paulson suggested the line item two in the Terms and Water rates be revised and remove the statement, "due to emergency or other unforeseen circumstances". Motion by Kaufman and second by Hanson to modify the Non-potable water rate for the BWSC revising item 2 of the Terms and Water rates to remove the phrase "due to emergency and unforeseen circumstances" and set the base rate to 3 inch meter \$270, and per gallon rate to 80,000 to 100,000 gallon rate of \$24.14 per 1,000 gallons. Motion carried unanimously.

**12. Discussion and Action on All Matters Concerning Writing Off Uncollectible Accounts.**

Motion by Kilpatrick and second by Hanson to approve writing off Uncollectible Accounts in the amount of \$29.95. Motion carried unanimously.

**13. Discussion and Action on All Matters Concerning Membership Dues and Voluntary Contributions to the Texas Rural Water Association.**

Motion by Kaufman and second by Kilpatrick to contribute membership dues and voluntary contributions to the Texas Rural Water Association in the amount of \$2,073.70. Motion carried unanimously.

**14. Staff Reports**

No report

**15. Engineer's Report**

Ginn stated he visited with UTWRD in regard to their requirements on the Stargate sight. UTWRD will be forth coming with their requirements. This month billings reflect the pump station at 75% complete and the ground storage tank at 65% complete. The plans should be complete after the first of the year. Ginn stated that once the plans are complete he would

submit plans to Leggieri for his review. The next step will be to bring the plans before the Board for approval before sending them to Austin.

Ginn stated that an operational manual is needed once all systems are online and the manual will also bring in the financial concerns of the Board.

Paulson stated that some of the Board members would like to look at redrilling some of the wells. Ginn stated The Ginn Corporation **needed** to revisit all the well capacity and how they can be of the most benefit to BWSC.

**16. Review of Future Agenda Items, Activities, Announcements, and set the date for the January 2005 Meeting.**

The next regular Board Meeting will be scheduled for January 24, 2004.

Motion by Kaufman and second by Wilkinson to adjourn the meeting. Motion carried unanimously. The meeting adjourned at 9:55 p.m.

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Recorded by Dawn Hicks, Administrative Assistant

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Certified by Larry Kaufman, Secretary-Treasurer