

**Minutes of the Bartonville Water Supply Corporation
Board of Directors Meeting
Monday, March 26, 2007
Bartonville Water Supply Corporation Office
1911 East Jeter Road
Bartonville, Texas 76226**

1. Call to Order

President Kaufman called the meeting of the Board of Directors of Bartonville Water Supply Corporation to order at 7:06 P.M. on Monday, March 26, 2007 at the Corporation office, 1911 East Jeter Road, Bartonville, Texas.

Directors in Attendance
Larry Kaufman, President
Lloyd Hanson, Vice President
Gracie Egan, Secretary-Treasurer
Bill Wilkinson
Patrick McDonald
David Moore

Directors Absent
Michael Paulson

Staff in Attendance
Jim Leggieri, General Manager
Jennifer L. Drury, Controller

Consultants in Attendance
Kerry Maroney, P.E. Biggs & Mathews
Ronnie Phillips, Esquire
Dan Tonn, CPA, Hankins, Eastup, Deaton, Tonn & Seay PC

Others in Attendance

President Kaufman announced that they would move to Item # 6

6. Discussions and Action on All Matters Concerning the Draft 2006 Audit Report.

No Action Taken.

2. Executive Session.

President Kaufman announced at 7:25 pm that the Board would convene in Executive Session concerning:

- A) All Matters Concerning the Chinn Chapel Pump Station and the Chapel Springs Subdivision, Pursuant to Government Code, Section 551.071.**
- B) All Matters Related to the Denton Independent School District's and Republic Property Group's Request for CCN Release Pursuant to Government Code, Section 551.071.**
- C) All Matters Concerning The Ginn Corporation's Final Engineering Invoice for the Stargate Pump Station, Pursuant to Government Code, Section 551.071**

D) All Matters Concerning Mereken's Proposed Non-drill Sire Oil and Gas Lease of 3+ Acres Tract, Pursuant to Government Code, Section 551.072.

The Board took no action and reconvened in open session at 8:25 pm.

3. Public Forum for Non-Agenda Items.

No one present.

4. Approve the Minutes of the February 12, 2007 Board Meeting.

Motion by Wilkinson and second by McDonald to approve the minutes of the February 12, 2007 Board Meeting.

Motion approves with one abstention by Moore, as he was not present.

5. Approve the February 2007 Disbursements and Financial Reports.

Motion by Hanson and second by Wilkinson to approve the February 2007 Disbursements and Financial Reports.

Motion approved unanimously.

7. Consulting Engineer Report.

Mr. Maroney advised that the matter would be discussed further under Agenda Item #16.
No Action Taken.

8. Legal Counsel Report.

No discussion. No Action Taken.

9. General Manager's Report.

Leggieri asked to board if they had any questions.

No Action Taken.

10. Controller's Report.

Drury informed the Board that JRJ Paving has a remaining balance of \$21,000 from the original \$40,000.

No Action Taken.

11. Discussions and Action on All Matters Concerning the Chinn Chapel Pump Station and Chapel Springs Subdivision.

No discussion. No action taken

12. Discussion and Action on All Matters Related to the Denton Independent School District's and Republic Property Group's Request for CCN Release.

Motion by Hanson and second by Wilkinson to direct the President to sign the appropriate documentation between Bartonville Water Supply Corporation, the Denton Independent School District, and the Fresh Water Supply District #7, upon receipt of the appropriate filed documents related to transfer of the property to Denton Independent School District.

Motion approved unanimously.

13. Discussion and Action on All Matters Concerning The Ginn Corporation's Final Engineering Invoice for the Stargate Pump Station.

No discussion. No action taken.

14. Discussions and Action on All Matters Concerning Mereken's Proposed Non-drill Site Oil and Gas Lease of 3+ Acres Tract.

Motion by Hanson and second by Wilkinson to direct the President to sign the Mereken's Proposed Non-drill Site Oil and Gas Lease upon receipt of an updated document from the Oil and Gas Attorney.

Motion opposed unanimously.

15. Discussions and Action on All Matters Concerning Denton County's Plans for the Proposed Widening of Copper Canyon Road.

No Action Taken.

16. Discussions and Action on All Matters Concerning the Bids Received for Drilling of the Stonewood Water Well.

Motion by Hanson and second by Egan to reject all bids received for the Stonewood Water Well Drilling.

Motion approved unanimously.

President Kaufman announced at 9:50pm the Board would take a 5-minute break.

The board reconvened in open session at 9:55 pm.

17. Discussions and Action on All Matters Concerning Final Acceptance of the S. Copperwoods Lane Waterline Extension and Release of Retainage to H2M.

Motion by Hanson and second by McDonald to accept the S. Copperwoods Lane Waterline Extension and release of retainage to H2M.

Motion approved unanimously

18. Discussions and Action on All Matters Concerning Half Associates' Request for BWSC to Collect User Fees from Members that Live Outside of Municipalities on Behalf of Another Entity.

Motion by Hanson and second by McDonald that BWSC advises Half Associates' that BWSC does not have the authority to Collect User Fees from Members that Live Outside of Municipalities on Behalf of Another Entity.

Motion approved unanimously.

19. Discussions and Action on All Matters Concerning Replacement of the SCADA Computer and Reporting Software.

Motion by Egan and second by Hanson that BWSC recommends replacement of the SCADA Computer and Reporting Software for the lump sum of \$12,455.

1 Ayes – Egan

4 Nays – Wilkinson, Hanson, Moore, McDonald

Motion failed.

Motion by Wilkinson and second by Hanson to direct Staff to get a breakdown of pricing and additional information.

Motion approved unanimously.

20. Discussions and Action on All Matters Concerning Including BWSC's Check Register in the Board Packets.

Motion by Wilkinson and second by McDonald to direct Staff to Include BWSC's Check Register in the Board Packets.

1 Ayes – Wilkinson

4 Nays – Hanson, Moore, Egan, McDonald

Motion failed.

21. Discussions and Action on All Matters Concerning Updating BWSC's Tariff.

No Action Taken.

22. Discussions and Action on All Matters Concerning Review of the General Manager's 2007 Goals.

No Action Taken.

23. Review Future Agenda Items, Activities, Announcements, and set date for the May 2007 Meeting.

Future Agenda Items shall include Merekens Oil and Gas Lease Contract, Status on Bids, and Update on Litigation. The next Board Meeting will be held May 14, 2007.

24. Adjournment.

Motion by McDonald and second by Hanson to adjourn the meeting at 10:37 pm.

Motion approved unanimously.

Recorded by Jennifer L. Drury

Certified by Gracie Egan, Secretary-Treasurer