

**Minutes of the Bartonville Water Supply Corporation
Board of Directors Meeting
Thursday, May 19, 2005
Bartonville Water Supply Corporation Office
1911 East Jeter Road
Bartonville, Texas 76226**

1. Call to Order

Michael Paulson, President called the meeting of the Board of Directors of Bartonville Water Supply Corporation to order at 7:17 P.M. on Thursday, May 19, 2005 at the corporation office, 1911 East Jeter Road, Bartonville, Texas.

Directors in Attendance

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

Consultants in Attendance

Jennifer Drury, CPA
Wayne Ginn, PE, The Ginn Corporation

Staff in Attendance

Jim Leggieri, General Manager

Others in Attendance

Paul Lipscomb, PE
Tracy Miller, Town of Double Oak Mayor Pro-Tem
Mike Donnelly, Town of Double Oak Council Member
Keith Walter, Double Oak Resident
Kevin Kendrick, Chapel Springs Limited
Jason Oliver, EIT, Graham & Associates
Chuck Stark, PE, Graham & Associates

3. Public Forum

Tracy Miller, Mayor Pro-Tem for Town of Double Oak, spoke to the Board on behalf of Mr. Keith Walter. Mr. Miller gave the Board some background on Mr.

Walter and asked that BWSC look at filling this vacancy based on a person's ability not just the town they represent. Mr. Miller thanked the Board for their time. Mr. Mike Donnelley, Council Member for the Town of Double Oak, spoke a few words in support of Mr. Walter.

4. Discussion and Action on Appointment of a Director to Fill Vacancy on the Board.

Mr. Paulson advised that there are currently three (3) candidates that have submitted their resumes or expressed an interest in the position. Since the announcement has not been posted for 30 days the Board will table this item until the next Board meeting.

Wilkinson introduced Mr. Walter to the Board and gave Mr. Walter his endorsement. Mr. Walter spoke to the Board and gave a brief overview of his background and answered questions from the Board.

6. Approve the Minutes of the March 21, 2005, March 28, 2005, April 18, 2005 and May 2, 2005 Board Meetings.

Motion by Wilkinson and second by McKinney to approve the minutes of the March 21, 2005, March 28, 2005, April 18, 2005, and May 2, 2005. Motion approved unanimously.

7. Approve the March 2005 and April 2005 Disbursements and Financial Reports.

Drury stated that BWSC is a little behind as it is early in the year but memberships have started to pick up and dryer weather appears imminent. McKinney asked if the engineering cost for the month of March was normal. Drury explained that the engineering fees are allocated evenly over a twelve (12) month period but this item is over budget due to the Chinn Chapel issues. The Chinn Chapel expenses may be re-classed to capital if the amounts are significant. Motion by Kilpatrick and second by Kaufman to approve the March 2005 and April 2005 Disbursements and Financial Reports. Motion approved unanimously.

8. Discussion and Action on the Corporate Authorization Resolution with North Star Bank of Texas.

Motion by Kilpatrick and second by Wilkinson to approve the Authorization Resolution with NorthStar Bank of Texas to include signature authorization for Michael Paulson, Lloyd Hanson, Larry Kaufman, and Jim Leggieri. Motion approved unanimously.

Board went into Executive Session at 7:40 P.M.

2. Executive Session Concerning:

- a. **All Matters Concerning Upgrades to Existing Pump Stations, Including a Possible Site Exchange at the Chinn Chapel Site, Pursuant to Government Code, Section 551.072.**
- b. **Authorization for Final Payment and Release of Retainage to E.M. Construction Company for the Hilltop Road Water Line and Stargate Waterline, Pursuant to Government Code, Section 551.072.**

Board reconvened into public session at 9:04 P.M.

5. Discussion and Action on All Matters Concerning Upgrades to Existing Pump Stations, Including Possible Site Exchange at Chinn Chapel Site.

Motion by Kilpatrick and second by McKinney to study long term water supply strategy. Motion approved unanimously.

Paulson requested that the representatives for the Chapel Springs Limited development group speak to the Board. Kevin Kendrick, Jason Oliver, EIT, and Chuck Stark, P.E represented the Chapel Springs Limited development group. Mr. Kendrick advised the Board that the developer is eager to work with the Board with what ever decision is made but this decision is needed as soon as possible as the dirt work is scheduled to start in June. Paulson advised that the staff has been ask to expedite the remaining issues so the Board can make an informed decision.

9. Discussion and Action on Authorization for Final Payment and Release of Retainage to E.M. Construction Company for the Hilltop and Stargate Waterline.

Motion by Wilkinson and second by Kaufman to follow the recommendation from Ronnie Phillips, Esq. BWSC's attorney. BWSC should deduct all amounts BWSC paid to Lantana and others to satisfy unpaid costs and claims related to E.M. Construction's performance of the contract and remit the remainder to E.M. Construction. Motion approved unanimously.

10. Discussion and Action on Final Acceptance of Hilltop Rd. Waterline and Stargate Waterline.

Ginn explained to the Board that final acceptance is needed to set the start date of the warranty period. Motion by Kaufman and second by Wilkinson to approve final acceptance of Hilltop Rd. Waterline and Stargate Waterline. Motion approved unanimously.

11. Discussion and Action on Final Approval and Acceptance of Final Water Plans for Cross Roads Bible Church Addition.

Ginn advised the Board of the changes made to the preliminary plans and recommended that the Board give final approval. Motion by Kilpatrick and second by Hanson to give final approval and acceptance of final water plans for the Cross Road Bible Church Addition. Motion approved unanimously.

12. Discussion and Action on all Matters Regarding Setting Date and Time for a Planning Session.

Kilpatrick presented to the Board a proposed long-range water supply strategy and a proposed integrated planning process for the optimal water supply corporation. Kaufman requested that BWSC staff determine how much land is currently undeveloped in the service area.

The Board went back into Executive Session at 9:45 P.M to discuss item:

a) All Matters Concerning Upgrades to Existing Pump Stations, Including a Possible Site Exchange at the Chinn Chapel Site, Pursuant to Government Code, Section 551.072.

Board reconvened into public session at 9:50 P.M.

A Special Planning Session will be held on Wednesday June 1, 2005.

13. Discussion and Action on Scheduling Date for Future Board Meetings.

The next Board meeting will be held on Tuesday, June 14, 2005. The regular Board meetings will be held on the second Tuesday of the month.

14. Staff Reports

Leggieri stated that the water samples taken from the ground storage tank according to the lab in Denton is ground water. Ginn advised that Terra Marr advised that there is no leak but it does appear the french drain has been damaged and it is not catching the water as designed. Terra Marr will run video into the drain to check for a possible clogged drain. Ginn also reported the ground water has decreased over the past weeks. Leggieri stated that Prime Controls is working on the software and should finish upgrades to the SCADA no later than June 1, 2005.

15. Engineers Report

Ginn stated that the deal with CoServ getting power to the site is making progress. The plans for the ground storage tanks and the pump station have been turned into Leggieri for his review and are available for Board review. Ginn is working with CoServ to not charge BWSC for getting power to the Stargate property. There are still some issues to work through in regards to the easements.

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

The next regular Board meeting will be scheduled for June 14, 2005 at 7 p.m. Kilpatrick requested that future agenda items should include Strategic Planning as a standing item.

Motion by McKinney and second by Hanson to adjourn the meeting. Motion approved unanimously. The meeting was adjourned at 10:06 P.M.

Recorded by Dawn Hicks, Administrative Assistant

Certified by Larry Kaufman, Secretary-Treasurer