

**Minutes of the Bartonville Water Supply Corporation
Board of Directors Meeting
Thursday, June 8, 2006
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 7:07 P.M. on Thursday, June 8, 2006 at the Corporation office, 1911 East Jeter Road, Bartonville, Texas.

Directors in Attendance

Larry Kaufman, President
Lloyd Hanson, Vice President
Scott Kilpatrick, Secretary-Treasurer
Michael Paulson (Arrived at 7:25pm)
Bill Wilkinson
Gracie Egan

Directors Absent

James McKinney

Staff in Attendance

Jim Leggieri, General Manager
Jennifer Drury, Controller

Others in Attendance

Dick Cook, Mayor of Double Oak
Patrick McDonald, Member
Mark McMillan, Member
Kathy Haenzel, AIG Insurance

6. Presentation by Kathy Haenzel with AIA Insurance Agency Concerning Corporate Insurance Coverage.

Kathy Haenzel gave the Board an overview of the current insurance policy for the corporation and answered questions from the Board.

9. Discussion and Action on all Matters Concerning Additional Property Acquisitions.

Jim Leggieri introduced Mark McMillan to the Board. Mr. McMillan gave a presentation to the Board in regard to the property located near Stonewood well site.

7. Presentation by Prime Controls Regarding SCADA System Status as well as Pertinent Discussion and Action.

No presentation as David Smith was not in attendance. Leggieri gave the Board a quick update on the SCADA system status.

3. Public Forum.

No one was present.

2. Executive Session

President Kaufman announced at 7:45 pm that the Board would convene in Executive Session concerning:

a.) All Matters Concerning Additional Property Acquisitions, Pursuant to Government Code, Section 551.072.

The Board took no action and reconvened in open session at 8:15 pm.

8. Discussion and Action on All Matters Concerning Choosing BWSC's Consulting Professional Engineer.

The Board requested that the staff send a letter of clarification on the retirement of Wayne Ginn, PE and ask Ronnie Phillips, Esq. to review the existing contract between BWSC and The Ginn Corporation.

Leggieri gave the Board an overview of the engineer firm presentations that were included in the Board packets.

Motion by Egan and second by Wilkinson to direct staff to negotiate a contract with Biggs and Matthews.

Kilpatrick suggested that the Board set up a meet and greet with Biggs and Matthews to allow any Board members that are interested could attend.

4 Ayes – Paulson, Wilkinson, Egan, Hanson

1 Nay – Kilpatrick

Motion approved

4. Approve the Minutes of the May 11, 2006 Board Meeting.

Motion by Kilpatrick and second by Wilkinson to approve the consent agenda. Motion approved unanimously.

5. Approve the May 2006 Disbursements and Financial Reports.

Motion by Kilpatrick and second by Wilkinson to approve the consent agenda. Motion approved unanimously.

9. Discussion and Action on all Matters Concerning Additional Property Acquisitions.

Motion by Paulson and second by Egan that the Board offer two options in regard to the Stonewood property; purchase the full 1.08 acres at the discussed amount or the 12,100 square

feet at another discussed amount and direct the staff to begin negotiations as soon as possible. Motion was amended by Paulson to state that the staff will make an offer and if this offer is not accepted then BWSC should proceed immediately into condemnation. Motion approved unanimously.

10. Discussion and Action on All Matters Concerning Approval to Write Off Uncollectible Accounts.

Motion by Kilpatrick and second by Wilkinson to approve the write off of uncollectible accounts. Motion was approved unanimously.

11. Discussion and Action on All Matters Concerning Preliminary Strategic Long Range Planning.

Kilpatrick advised the Board that the staff is currently working on a presentation for the Board at a future meeting. Drury requested that the Board forward any information to her via e-mail. No further action taken.

12. General Manager's Report.

Leggieri updated the Board on the well at the Flower Mound Soccer Complex. Hanson requested an update on the widening plans of 407/Justin Rd. and the cost to BWSC. Leggieri advised the Board that the staff have been following this closely and will continue to monitor the impact to the system.

13. Controller Report.

Drury update the Board in regard to UTRWD and that their preliminary rates show an increase but this still has to go through the approval process. Drury gave a brief update on a significant customer working in the Chinn Chapel area. This customer was advised by the staff to discontinue service and contact Highland Village to pull water to their site due to the volume of water needed.

14. Review of Future Agenda Items, Activities, Announcements, and set the date for the July 2006 Meeting.

Kilpatrick requested that Paul Lipscomb's letter be added to the Agenda. Kaufman requested that the Board invite Wayne Ginn, PE to the meeting and add him to the Agenda. The next Board meeting will be held on July 17, 2006.

6. Adjournment.

Motion by Hanson and second by Kilpatrick to adjourn. Motion approved unanimously. The meeting was adjourned at 9:14 pm.

Recorded by Jennifer L. Drury

Certified by Scott Kilpatrick, Secretary-Treasurer