

**Minutes of the Bartonville Water Supply Corporation
Board of Directors Meeting
Monday, February 11, 2008
Bartonville Water Supply Corporation Office
1911 East Jeter Road
Bartonville, Texas 76226**

14. Call to Order

President Kaufman called the meeting of the Board of Directors of Bartonville Water Supply Corporation to order at 7:05 P.M. on Monday, February 11, 2008 at the Corporation office, 1911 East Jeter Road, Bartonville, Texas.

| Directors in Attendance |
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| Larry Kaufman, President |
| Lloyd Hanson, Vice President |
| Gracie Egan, Secretary-Treasurer |
| Michael Paulson |
| Bill Wilkinson |
| Patrick McDonald |
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| Directors Absent |
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| David Moore |
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| Staff in Attendance |
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| Jim Leggieri, General Manager |
| Connie Salsman, Controller |
| Dawn Hicks, Utility Billing Administrator |

| Consultants in Attendance |
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| Virginia Moore, Attorney |
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| Others in Attendance |
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| Ron Robertson, Mayor of Bartonville |
| Jim Carter, Representative for the Bailey's |
| Jim Bailey, Member |
| Mary Bailey, Member |

President Kaufman announced that they would move to Item # 4

4. Presentation and Q&A by Bartonville Town Mayor Ron Robertson Regarding a Future / Mutually Shared Town Hall / Bartonville Water Supply Corporation Building.

Mayor Ron Robertson spoke to the Board regarding the possibility of a mutually shared Town Hall / Bartonville Water Supply Corporation building. Mayor Robertson answered questions from the Board and thanked the Board for taking the time to hear his presentation.

President Kaufman announced that the Board would go into Executive Session at 7:14pm.

2. Executive Session Concerning:

- a) Discussion and Action on All Matters Concerning Mr. Carter's Proposal to Exclude Approximately 20.16 Acres of Land Contiguous to the Lantana Development on Hickory Hill Road from Water Certificate of Public Convenience and Necessity No. 10197 and the Transfer of the CCN for such Property to Denton County Fresh Water Supply District No. 7., Pursuant to Government Code, Section 551.072.

The Board took no action and reconvened in open session at 7:27 pm.

3. Public Forum

Mr. Carter passed out information packet regarding the proposal to exclude the Bailey's property from Water Certificate of Public Convenience and Necessity No. 10197 and transfer of the CCN to Denton County Fresh Water Supply District No. 7.

President Kaufman announced that they would move to Item # 5.

5. Approve the Minutes of the January 14, 2008 Board Meeting.

Motion by Hanson and second by Egan to approve the Minutes of the January 14, 2008 Board Meeting.

4 Ayes - Egan, Wilkinson, McDonald, Hanson

1 Abstention - Paulson

6. Approve the January 2008 Disbursements and Financial Reports.

Salsman gave the Board an overview of the financial report. Hanson asked for explanation as to the Upper Trinity cost. Salsman advised the Board that she will review the Upper Trinity charges and report back to the Board.

Motion by McDonald and second by Hanson to approve the January 2008 Disbursements and Financial Reports subject to clarification on the Upper Trinity Charges.

Motion approved unanimously.

7. Discussion and Action on All Matters Concerning Mr. Jim Carter's Proposal to Exclude Approximately 20.16 Acres of Land Contiguous to the Lantana Development on Hickory Hill Road from Water Certificate of Public Convenience and Necessity No. 10197 and the Transfer of the CCN for such Property to Denton County Fresh Water Supply District No. 7.

Motion by Wilkinson and second by Hanson to decline the transfer of Approximately 20.16 Acres of Land Contiguous to the Lantana Development on Hickory Hill Road from Water Certificate of Public Convenience and Necessity No. 10197 and the Transfer of the CCN for such Property to Denton County Fresh Water Supply District No. 7.

Motion approved unanimously.

8. Consulting Engineer's Report.

Engineer was not in attendance but Leggieri gave the Board an update on the Stonewood Well Site and advised the Board that if the current progress continues this well should be on line by summer.

9. General Manager's Report

Leggieri gave the Board an update on the Jernigan/Chinn Chapel line, the widening of Hickory Hill Road, and the current developments regarding the pending insurance claim against EM Construction.

10. Discussion and Action on All Matters Concerning the Harris Software Conversion to Include Hardware, Printer, Tech Support, and Internet Web Bill Access Necessary Prior to Conversion.

Salsman gave overview of upgrades that would be needed to move forward with the software conversion and advised the Board that the original proposal did not include the

Internet web bill access but if this component is purchased at time of conversion it would be half the normal cost which would be cost effective to purchase this component at the conversion.

Motion by Paulson and second by McDonald go forward with the purchase of the Harris In-Hance software to include internet billing component, hardware upgrades, and tech support that would be needed to run this software with the cost not to exceed \$50,000.

Motion approve unanimously.

11. Discussion and Action on all Matters Regarding Updating Bartonville Water Supply Corporation's Tariff Concerning the Non-Potable Bulk Water Policy.

Kaufman advised the Board that this item will be held over to next month as legal council is not present.

No action taken.

12. Discussion and Action on all Matters Concerning Employee Health Insurance Benefits.

Salsman advised the Board that the current health care benefits through Blue Cross and Blue Shield will increase by 20% this year and for that reason she has shopped around and found more cost effective plans. Salsman passed out an analysis to the Board to show the different options available and some cost effective methods the corporation could integrate to assist employees through a set transition period.

Motion by Paulson and second by Wilkinson to move the current employee health care benefits from Blue Cross and Blue Shield to United Health Care with deductible assistance for employees.

Motion approved unanimously.

13. Discussion and Action on all Matters Pertaining to the Annual Meeting Including Setting the Date, Time, Location and Approval of the Official Notice, Proxy, and Agenda.

Motion by Hanson and second by Wilkinson to approve the date for the annual meeting to be held on April 21st, 2008 at the Crossroads Bible Church with at start time of 7:30 pm and approve the Agenda, Official Notice, and Proxy as included in the Board packets.

Motion approved unanimously.

14. Review Future Agenda Items, Activities, Announcements, and set date for the March 2008 Meeting.

Future Agenda Items should include Proposal from Town of Bartonville Mayor Ron Robertson and UTRWD vs. Budget. The next Board Meeting will be March 17, 2008.

18. Adjournment.

Motion by Hanson and second by Paulson to adjourn the meeting at 8:42 pm.

Motion approved unanimously.

Recorded by Dawn E. Hicks

Certified by Gracie Egan, Secretary-Treasurer