

**Minutes of the Bartonville Water Supply Corporation
Board of Directors Meeting
Monday, January 14, 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 7:03 P.M. on Monday, January 14, 2008 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
Dawn Hicks, Utility Billing Administrator

Consultants in Attendance
Virginia Moore, Attorney
Kerry Maroney, P.E.

Others in Attendance
Connie Salsman, Controller Candidate
Clay Bailey, Member
Jim Bailey, Member
Mary Bailey, Member
Jim Carter, Representative for the Bailey's
Jeff Chapman, P.E. for Denton County
Tommy Kline, Developer Belle Côte

9. Discussion and Action on All Matters Concerning the Replacement of BWSC's Controller to Include Review and/or Interview Perspective Candidates.

Connie Salsman introduced herself to the board and gave a brief summary of past employment history.

3. Public Forum

No one present.

President Kaufman announced that they would move to Item # 4

4. Presentation and Q&A by Mr. Jim Carter/Associates Concerning their 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.

Mr. Jim Carter gave a presentation to the Board 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. Mr. Carter answered questions from the board and the board heard from Mr. & Mrs. Bailey on their own behalf. Mr. Carter thanked the board for their attention and consideration to this matter.

No Action at this time.

President Kaufman announced that they would move to Item # 13

13. Discussion and Action on Tom Kline's Request to Place Off-Site Water Main for the Belle Côte Subdivision in the Hickory Hill Rd ROW.

Mr. Kline advised the board that he has been pursuing a ROW from Ms. Garrison but to date has been unsuccessful and would like to request board approval to lay the water lines for the Belle Côte subdivision in the existing ROW parallel to BWSC's 4" water main. Mr. Kline introduced Mr. Chapman, P.E. as the engineer for Denton County. Mr. Chapman laid out the county's future plans for the roads and ROW in the area of the Belle Côte subdivision. Mr. Kline handed out the proposal given to Ms. Garrison and gave an overview of the documents and advised the board that he is willing to go to condemnation if necessary.

Motion by Wilkinson to maintain the corporation's policy that water lines are located in a private easements. Motion died for lack of second.

Motion by Wilkinson second by McDonald to deny Mr. Kline's request to place the off-site water main for the Belle Côte subdivision in the Hickory Hill Road ROW.

Motion approved unanimously.

5. Approve the Minutes of the December 10, 2007 Board Meeting.

Motion by Hanson and second by Moore to approve the minutes of the December 10, 2007 Board Meeting. Egan requested clarification on Agenda item #7, minutes should reflect the word reviewed be changed to discussed.

Mr. Hanson amended his motion to include correction to item #7 from the word reviewed to discussed.

Motion approved unanimously.

6. Approve the December 2007 Disbursements and Financial Reports.

Drury gave the board an overview of the Financial Reports to include the Chinn Chapel Pump Station.

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

Motion approved unanimously.

7. Consulting Engineer's Report.

Kerry Maroney, P.E. gave the board an update on the Stonewood Well Site.

15. Discussion and Action on Authorizing BWSC's Engineer to Proceed with Plans for the Chinn Chapel Well to Jernigan Rd. Transmission Main.

Leggieri gave the board an update on the Chinn Chapel Well demolition and advised the board that the easements are in place.

Motion by Hanson and second by Egan to direct Biggs & Matthews to proceed with plans and bid package for the Chinn Chapel Well to Jernigan Rd. Transmission Main.

Motion approved unanimously.

2. Executive Session.

President Kaufman announced at 8:35 pm that the Board would convene in Executive Session concerning:

A. Discussion on Personnel/Matters Including Review/Evaluation of General Manager's 2007 Performance Goals. Pursuant to Government Code, Section 551.074.

The Board took no action and reconvened in open session at 9:23 pm.

8. General Manager's Report

Hanson ask for an update on the Lantana Inter-local agreement. Leggieri advised the board that one signature is needed and it will be complete. Egan advised the board that her signature is needed and she is prepared to sign at this time. Leggieri and the board discussed the request by Mr. Carter to release the Bailey's property from BWSC's CCN.

10. Discussion and Action to Authorize Dawn Hicks On-Line Access to BWSC's NorthStar Bank Accounts.

Motion by Egan and second by Wilkinson to authorize Dawn Hicks On-Line access with a timeline in place. After discussion Egan withdrew the motion with the understanding that Leggieri would authorize Connie Salsman On-Line Access to be effective on her first day of employment.

No Action needed.

11. Discussion and Action on all Matters Concerning JRJ Paving's Outstanding Balance and Pending Litigation.

Motion by Hanson and second by Wilkinson to accept the settlement of the debt in full from JRJ to BWSC with the language amended to reflect the proper names of the parties involved in the settlement and that all documents are held until funding has cleared.

Motion approved unanimously.

12. Discussion and Action on all Matters Concerning Updating BWSC's Form & Application for Non-Potable Water.

Virginia Moore advised the board that the form needed to be updated to protect the Corporation and to avoid collection issues in the future.

Motion by Hanson and second by McDonald to approve the new BWSC's Form & Application for Non-Potable Water.

Motion approved unanimously.

14. Discussion and Action on all Matters Regarding Review/Revision of the Equity Buy In Fee for BWSC.

Kaufman advised the board that this item will be reviewed after the annual audit.

No action taken.

16. Discussion and Action on all Matters Concerning the 2008 Annual Management Goals for the General Manager.

No action taken.

17. Review Future Agenda Items, Activities, Announcements, and set date for the February 2008 Meeting.

Future Agenda Items should include CCN release, details for annual meeting to include setting date and approve proxy statements. The next Board Meeting will be February 11, 2008.

18. Adjournment.

Motion by Egan and second by Moore to adjourn the meeting at 9:55 pm.

Motion approved unanimously.

Recorded by Dawn E. Hicks

Certified by Gracie Egan, Secretary-Treasurer