

**BARTONVILLE WATER SUPPLY CORPORATION
MINUTES of the BOARD OF DIRECTORS MEETING
MONDAY, JUNE 15, 2009 AT 7:00 P.M.**

1. Call to Order

Mr. Kaufman called the meeting of the Board of Directors of Bartonville Water Supply Corporation to order at 7:03 P.M. on Monday, June 15, 2009, at the Corporation office, 1911 East Jeter Road, Bartonville, Texas.

Directors in Attendance:

Larry Kaufman, President
Patrick McDonald, Vice-President
Lloyd Hanson, Secretary-Treasurer
Michael Paulson
Bill Wilkinson

Directors Absent:

Gracie Egan
David Moore

Staff in Attendance:

Jim Leggieri, General Manager
Dawn Hicks, Office Manager

Consultants in Attendance:

Virginia Moore, Attorney

Others in Attendance:

No one present.

Mr. Kaufman announced that the Board would go into Executive Session at 7:04 P.M.

The Board reconvened into regular session at 7:56 P.M.

3. Public Forum for Non-Agenda Items

No one present.

4. Approve the Minutes of the May 18th, 2009 Board Meeting

Motion by Paulson and second by Wilkinson to approve the minutes of the May 18th, 2009 Board Meeting.
Motion approved unanimously.

5. Approve the May 2009 Disbursements and Financial Reports

Motion by Paulson and second by McDonald to approve the Disbursements and Financial Reports for May 2009. Hanson reviewed the findings of the depreciation schedule and adjustments that were made. Hanson advised the Board that he would work with staff to create a formal policy to set limits on depreciation in the future. He anticipated a presentation will be presented at the September Board Meeting. Motion approved unanimously.

6. Consulting Engineer's Report

Leggieri gave an update on the Stonewood Well. The contractor is in the process of installing a fill line for the water and the new electric panel. Leggieri advised that the site will be cleared and specifications requested by Mr. McMillian will be addressed accordingly. Well production is anticipated at 1MGD at this time.

7. General Manager's Report to Include Possible Discussion on the Following Items:

a) Stonewood Well #2

The status of the Stonewood Well was discussed with the Consulting Engineer's report.

b) Copper Canyon Road/Road Project

Leggieri advised the Board that staff is waiting on the county to secure easements.

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- c) **Update on Fire Policy**
Leggieri reported that the outstanding Fire Fill Policies have been executed.
 - d) **FM/Briar Hill/Justin Road**
Leggieri updated the Board on the status of the extension of Flower Mound's 10" water main that would allow Flower Mound to take over and serve our 17 customers.
 - e) **Verizon Subcontractors**
No Discussion, contractors are currently out of the area.
 - f) **Ground Water Conservation Districts**
Leggieri stated this is still developing and staff will monitor and update the Board on developments. Staff advised they will look into the requirements and regulations for nominating a Board member for the Ground Water Conservation District.
 - g) **Elevated Tank Site #2**
No discussion.
 - h) **TX DOT ROW Acquisition**
No discussion.
 - i) **Revised Tariff Policy on Subdivisions**
Leggieri advised the Board that he requested Lloyd Hanson and Virginia Moore to review the Subdivision Regulations and expects to have the final draft at the next Board Meeting.
8. **Discussion and Action on all Matters Concerning Recent Attorney General Legal Opinions Affecting WSC's, Case Decisions and Pending Legislative Actions**
- a) **Fire Flow and Fire fill Issues**
No action.
 - b) **Role of Board in Oversight of Staff Activities with regard to Tax Responsibilities**
Did not pass.
 - c) **Handling of Electronic Mail Records**
No action taken.
 - d) **Increased State Oversight of Retail Public Utilities, including Board Makeup**
No action taken.
9. **Discussion and Action on all Matters Concerning Orion Laptop Upgrade Program**
Leggieri gave an update on the Orion Laptop Upgrade program and his proposal to swap out 150 current older Trace transponders and replace with the more time efficient Orion transponders. Leggieri explained that swapping out the transponders would allow routes to be set up more efficiently. The expected cost is less than \$30,000. Motion by Paulson and seconded by Hanson to upgrade the Orion Laptop and upgrade 150 transponders with cost not to exceed \$30,000. Motion approved unanimously.
10. **Discussion and Action on all Matters Concerning Harris Computers Proposed Back-Up Service for Utility Billing System/Server**
After discussion Hicks advised the Board that she would look into other options to back-up the server. Hanson requested a copy of the contract be provided for his review.
11. **Discussion and Action on All Matters Concerning the BWSC's Line of Credit with NorthStar Bank**
Staff advised the Board that NorthStar Bank was not able to grant the one request regarding the second lien with no monetary limit, but did agree to a dollar amount not to exceed \$250,000. Motion by Paulson and second by McDonald to approve entering into a Line of Credit with NorthStar bank subject to the current terms that have been discussed pending one final review from legal counsel giving President Kaufman the authority to sign the documents. Motion approved unanimously.

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12. Discussion and Action on All Matters Concerning Eminent Domain – TXDOT FM 407

No action taken.

13. Discussion and Action on All Matters Regarding the Drilling of a Water Well at the Stargate Site

Wilkinson stated Board's concern regarding pending issues related to the GWCD. Kaufman would like to drill well and build the elevated tank. McDonald would like to see what the new well will produce and at that point reevaluate BWSC's needs at that time. Motion by Paulson and second by Wilkinson to ask BWSC's consulting engineer to get updated prices and other information on drilling the Stargate Well. Motion approved unanimously.

14. Review Future Agenda Items, Activities, and Announcements

The next meeting was set for July 20, 2009. Future agenda items suggested include Stargate Well, TX DOT, Sequel Server Backup update, and LOC update.

15. Adjournment

Motion by Wilikinson and second by Hanson to adjourn. Motion approved unanimously. Meeting adjourned at 8:57 P.M.

TRANSCRIBED BY LEANNA SPENCER

CERTIFIED BY LLOYD HANSON, SECRETARY-TREASURER