

**BARTONVILLE WATER SUPPLY CORPORATION
MINUTES of the BOARD OF DIRECTORS MEETING
MONDAY, AUGUST 17, 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 7:04 P.M. on Monday, August 17, 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
Gracie Egan
Michael Paulson
Bill Wilkinson
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 7:11 P.M.

3. Public Forum for Non-Agenda Items

No one present.

4. Approve the Minutes of the July 20th, 2009 Board Meeting

Motion by Paulson and second by Wilkinson to approve the minutes of the July 20th, 2009 Board Meeting.
Motion approved unanimously.

5. Approve the July 2009 Disbursements and Financial Reports

Hanson advised the Board that there were some changes that need to be addressed in the layout of the financial reports but will be done at the beginning of the next year.

Motion by Hanson and second by Paulson to approve the Disbursements and Financial Reports for July 2009.
Motion approved unanimously.

6. Consulting Engineer's Report

Maroney was not in attendance so Leggieri read an e-mail that Maroney sent regarding the Star Gate Well and Leggieri gave an update on the progress of the Stonewood Well, which continued on into his General Manager's report.

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

a) Stonewood Well #2

Leggieri advised the Board that there are a few items that will be needed as the well is coming on line and preparing for production. The first would be a window A/C unit this is recommended to keep the temperature cool to preserve the longevity of BWSC's equipment; the cost is estimated at \$2,250. Motion by Paulson and second by McDonald authorized Leggieri to purchase the A/C unit for the Stonewood Well in the amount of \$2,500. Motion approve unanimously.

Leggieri also advised the Board that the fence around this location needs to be replaced with an 8 ft chain link fence with 2 gates that open and it is 320 ft around the location. Leggieri acquired some bids on this and he

**BARTONVILLE WATER SUPPLY CORPORATION
MINUTES of the BOARD OF DIRECTORS MEETING
MONDAY, AUGUST 17, 2009 AT 7:00 P.M.**

received one for \$20,000 and the one from Hurricane was \$12,000. TCEQ requires the fence and Leggieri will check with Debbie at the Town of Bartonville to make sure of any code requirements from them. Motion by Paulson and second by Wilkinson to authorize Leggieri to spend \$12,000 for the fence around the Stonewood Well site.

b) Copper Canyon Road/Road Project

Leggieri advised that the county advised him that in August easements should be in place and then BWSC will go forward with required water line relocations.

c) FM/Briar Hill/Justin Road

Leggieri advised that Flower Mound connected on at Lowes west to east with 10" lines up to the Mobile Home Park. Flower Mound will be willing to take over customers once complete.

Kaufman announced that the Board would go into Executive Session at 7:45 P.M.

The Board reconvened into regular session at 8:11 P.M.

d) Ground Water Conservation Districts

No action taken.

e) Elevated Tank Site #2 / Stargate Well

Leggieri advised that the Stargate Well will start in 30 days under the existing contract. The elevated tank is an option with the proposed site being the Star Gate site and will be on the Agenda for next meeting.

f) TX DOT ROW Acquisition

Leggieri said that TX DOT is reevaluating the land needed for this project, which may reduce the actual land requirements needed from BWSC.

g) Update on Remote Read Meter Upgrade

Leggieri reported that BWSC consolidated one type of meter in a subdivision so that only one reader need go into a subdivision and eliminate duplication of efforts. Other problem areas are Waketon Road and Jeter Road due to safety reasons. Leggieri said that we needed another 138 meters to take care of these areas then we would have about 600 of the older meters left. Leggieri advised that he got a call from the supplier and said that if BWSC purchases 300, instead of 150 they would give BWSC a 24 channel interrogator for free, which is a \$3,000 value. The cost of the 300 Orion meters needed is figured at \$38,400. Motion by Moore and second by Paulson to approve the purchase for 300 Orion transponders at an estimated cost of \$ 38,400. Motion approved unanimously.

h) 2009 Capital Project Improvements

1. Chlorine/Ammonia System at the Stonewood Pump Station

Leggieri advised that we already have the Chlorinated system in place, and to get the Ammonia system in place we need the scale to weigh it, and the cost is \$3,225. Motion by Egan and second by McDonald to approve the purchase of the Ammonia scale with price not to exceed \$3,500.

2. Variable Speed/Frequency Motors/Pumps at Copper Hill Pump Station

Leggieri explained the benefits of the two 40hp frequency motors/pumps for this location and the savings BWSC should gain. The total cost for both is \$25,000. The Board requested that this item remain on the Agenda for next month with some input from BWSC's engineer.

11. Discussion and Action on All Matters Concerning the Capital Project Extension/Loop/Hawk and Porter Roads Pipeline.

Leggieri gave an overview of the area and how a loop with Hawk and Porter Road would benefit the system. Motion by Wilkinson and second by Hanson to authorize staff to go forward with securing easements for possible future loop with Hawk Rd and Porter Rd. Motion approved unanimously

8. Discussion and Action on all Matters Regarding the Capitalization and Expense Policy for BWSC.

Hanson provided a draft asset Capitalization Policy for the Board to review; they discussed "what is the threshold they want to set". Hanson requested that the staff set the threshold amount and bring that information back to the Board at the next meeting.

**BARTONVILLE WATER SUPPLY CORPORATION
MINUTES of the BOARD OF DIRECTORS MEETING
MONDAY, AUGUST 17, 2009 AT 7:00 P.M.**

- 9. Discussion and Action on all Matters Concerning the BWSC's Line of Credit with NorthStar Bank.**
Kaufman announced that he had signed the contract for the line of credit. Hicks advised the Board that the LOC was in place and ready to draw against it if needed.

- 10. Discussion and Action on all Matters Concerning Tariff, Including Review and Update BWSC Tariff.**
Discussed in Executive Session. Will hold over until next month's meeting.

- 12. Discussion and Action on All Matters Concerning Eminent Domain – TXDOT FM 407**
Discussed, no action taken.

- 13. Review Future Agenda Items, Activities, and Announcements**
The next Board meeting is set for September 21st. Future Agenda Items should include future Elevated Tank, frequency pump payback cost, Budget, Capitalization Policy, Tariff including Subdivisions rules and Section E rules, repainting the existing Elevated Tank, easements for Hawk and Porter Road pipelines.

- 14. Adjournment**
Motion by Paulson and second by McDonald to adjourn. Motion approved unanimously. Meeting adjourned at 9:14 P.M.

TRANSCRIBED BY ROBIN KERN

CERTIFIED BY LLOYD HANSON, SECRETARY-TREASURER