

**BARTONVILLE WATER SUPPLY CORPORATION
MINUTES of the BOARD OF DIRECTORS MEETING
MONDAY, FEBRUARY 23, 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 7:08 P.M. on Monday, February 23, 2009, at the Corporation office, 1911 East Jeter Road, Bartonville, Texas.

Directors in Attendance:

Larry Kaufman, President
Patrick McDonald, Vice-President
Gracie Egan, Secretary-Treasurer
David Moore
Michael Paulson
Bill Wilkinson

Directors Absent:

Lloyd Hanson

Staff in Attendance:

Jim Leggieri, General Manager
Connie Salsman, Controller
Dawn Hicks, Billing Administrator

Consultants in Attendance:

Virginia Moore, Attorney

Others in Attendance:

Jim Carter, 1005 Roadrunner, Bartonville, TX
Philip Mack Furlow, Attorney

Mr. Kaufman announced that the Board would go into Executive Session at 7:08 P.M.

The Board reconvened into regular session at 8:14 P.M.

3. Public Forum for Non-Agenda Items

No one present.

4. Approve the Minutes of the January 19th, 2009 Board Meeting

Motion by Paulson and seconded by McDonald to approve the Minutes of the January 19th, 2009 Board Meeting.
Motion approved unanimously.

5. Approve the January 2009 Disbursements and Financial Reports

Motion by Paulson and seconded by Egan to approve the January 2009 Disbursements and Financial Reports. Salsman answered questions from the Board regarding the UTRWD usage costs, current investment accounts, and the repair and maintenance credit. Salsman advised the Board that she is currently working with NorthStar Bank regarding credit card processing and this proposal has the potential to save the corporation a minimum of 45% of the current credit card processing fees.

6. Consulting Engineer's Report

Leggieri reported for Maroney that the Stonewood well is in the final stages of completion and staff have been reassured from H2M that they are committed to completing the well by the time our easement runs out in April. Leggieri added the well is expected to produce around one million gallons per day. Leggieri gave an update on the best locations for the elevated tank.

7. General Manager's Report

a) Stonewood Well #2 Progress Report

This item was covered under the Consulting Engineer's Report.

b) Town of Bartonville Property Offer

Leggieri reviewed the property offer from the Town of Bartonville.

**BARTONVILLE WATER SUPPLY CORPORATION
MINUTES of the BOARD OF DIRECTORS MEETING
MONDAY, FEBRUARY 23, 2009 AT 7:00 P.M.**

- c) Chapel Springs/Chinn Chapel Well Site Agreement**
No new information to report.
 - d) Update of Fire Fill Policy**
No new information to report.
 - e) FM 407/2499 to Briarhill Blvd. / Roadway Project and its Impact on BWSC's Existing Water Main/Customers**
Leggieri advised the Board that staff met with the engineers from TXDOT and they have assured us that they will assist all parties involved to resolve issues to clear the way for the 10" main that the Town of Flower Mound is expected to install.
 - f) Verizon/Subcontractors**
No new information to report.
 - g) Fees/TCEQ Proposed Increases**
No new information to report.
8. **Discussion and Action on all Matters Concerning the Stonewood Well**
Paulson questioned whether or not we need to extend the easement deadline. Leggieri advised the Board that the driller expects to be clear of the site by this time. No action taken.
9. **Discussion and Action on all Matters Concerning Chapel Springs Settlement**
No action taken.
11. **Discussion and Action on All Matters Concerning Town of Bartonville's Offer to Purchase a Portion of BWSC's Undeveloped Office Site Property**
Motion by Paulson and seconded by Egan to accept the Town of Bartonville's offer to purchase a portion of BWSC's Undeveloped Office Site Property, as set forth in Agreement of Purchase and Sale executed by the Town of Bartonville dated February 18, 2009, contingent, however, on revision that BWSC retain mineral rights, review and approve the attached property description, request that buyer pays all closing costs, and that subsection 11(e) be stricken, and further that President Kaufman be authorized, upon such revisions to the contract by the corporation's legal counsel, to execute the Agreement on behalf of BWSC and to take such further action as necessary related to closing thereof. Motion accepted unanimously.
12. **Discussion and Action on All Matters Concerning Acquisition for the Future Site of BWSC's Elevated Tank**
No action taken.
13. **Discussion and Action on All Matters Concerning Outstanding CCN Release Payments**
Salsman gave an overview of the spreadsheet from the Bridlewood CCN payment record submitted from the Town of Flower Mound. Kaufman requested a review of the current number of permitted lots for Lantana and the fee schedule. Egan suggested that the staff review the current agreement and insure Lantana is in compliance with this agreement.
14. **Discussion and Action on All Matters Concerning Tariff, Including Plan to Review and Updated BWSC Tariff**
No action taken.
15. **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 McDonald and seconded by Wilkinson to approve setting the date for the annual meeting for Thursday, April 23, 2009, at 7:30 P.M. at Crossroads Bible Church, approve the submitted proxy statement, Public Notice, and Agenda. Motion approved unanimously.

Mr. Kaufman announced that the Board would go into Executive Session at 8:51 P.M.

The Board reconvened into regular session at 9:33 P.M.

**BARTONVILLE WATER SUPPLY CORPORATION
MINUTES of the BOARD OF DIRECTORS MEETING
MONDAY, FEBRUARY 23, 2009 AT 7:00 P.M.**

10. Discussion and Action on All Matters Concerning Renewal of BWSC's Line-of-Credit with NorthStar Bank
No action.

11. Discussion and Action on all Matters Concerning Personnel, Including Consideration for Staff Tuition Support

Motion by Paulson and second by McDonald to approve the payment to Gatlin Education Service for the Certified Bookkeeping program in the amount of \$1,795.00 for Dawn Hicks. Motion approved unanimously. Kaufman stated that he would like to review the current education reimbursement program and to encourage staff to further their education as it pertains to BWSC.

12. Review Future Agenda Items, Activities, Announcements, and set the Date for the March 2009 Meeting

The next meeting was set for March 23, 2009. Future agenda items suggested include the line of credit with NorthStar Bank, elevated tank sites, the Town of Bartonville land purchase offer, Tariff review/updates, update on the Chapel Springs settlement, Stonewood Well easement, and verification by the staff that Lantana is in compliance with their CCN agreements, review of the current tuition support policy.

13. Adjournment

Motion by Paulson and seconded by Wilkinson to adjourn. Motion approved unanimously.
Adjourned at 9:42 P.M.

TRANSCRIBED BY BECKY RANKIN

CERTIFIED BY GRACIE EGAN, SECRETARY-TREASURER