

REGULAR SESSION

JULY 14, 2009

The Board of Directors of the Athens Municipal Water Authority met in Regular Session on Tuesday, July 14, 2009, 8:30 a.m. in the Council Chambers of the City of Athens with the following members present, to-wit:

Chip Perryman, President  
Mike Stover  
Ed Gatlin  
C.A. Hawn  
Steve Sparkman

Pam Watson, City Secretary  
David Hopkins, Director of Finance  
Glen Herriage, Director of Utilities  
Mose Trimble, Lake Inspector  
Damon Douglas, A.M.W.A. Attorney

others present: Haven Cox, Marlin Smith, Wayne Weeks, Tyler Hendrickson, David Cundieff, Peter Gould, Steve Grant, Thomas Potthoff and other interested citizens;

constituting a quorum at which time the following proceedings were enacted, to-wit:

Director Perryman called the meeting to Order.

DISCUSS/CONSIDER AUDIT REPORT FOR FISCAL YEAR ENDING  
SEPTEMBER 30, 2008

Marlin Smith with Smith, Lambright & Associates presented the Audit Report for fiscal year ending 9/30/08, stating that the financial statements are presented fairly and Athens Municipal Water Authority is in very good financial condition. A motion was made by Director Hawn, seconded by Director Stover to accept the Audit Report for fiscal year ending 9/30/08. The motion carried unanimously.

DISCUSS/CONSIDER DECLARING LAND OWNED BY ATHENS MUNICIPAL  
WATER AUTHORITY AS EXCESS ACREAGE, BEING DESCRIBED AS 31.374  
ACRES LOCATED IN DAVID CHERRY LEAGUE, A-135, HENDERSON  
COUNTY, TEXAS (FIELD NOTES ATTACHED AS "EXHIBIT A") FOR THE  
PURPOSE OF SALE

A.M.W.A. Attorney Damon Douglas explained a letter received from Attorney John Cardwell concerning the procedure required for declaring land as excess acreage for the purpose of sale. A motion was made by Director Gatlin, seconded by Director Hawn to declare land owned by A.M.W.A. as excess acreage, being described as 31.374 acres located in David Cherry League, A-135, Henderson County, Texas (filed notes attached as "Exhibit A") for the purpose of sale. The motion carried unanimously.

CONSIDER APPROVING THE MINUTES OF THE APRIL 28, 2009 SPECIAL  
SESSION-TOUR AND JUNE 9, 2009 REGULAR SESSION

A motion was made by Director Stover, seconded by Director Sparkman to approve the minutes of the April 28, 2009 Special Session-Tour and June 9, 2009 Regular Session, as written. The motion carried unanimously.

DISCUSS/CONSIDER AUTHORIZING RENEWAL OF  
PROPERTY/LIABILITY/WORKERS' COMPENSATION INSURANCE

Haven Cox, Human Resource Director recommended the renewal of property/liability/workers' compensation insurance with Texas Municipal League, due to there being no rate increase. A motion was made by Director Hawn, seconded by Director Stover to authorize the renewal of property/liability/workers' compensation insurance with Texas Municipal League. The motion carried unanimously.

**INSPECTOR'S REPORT  
A) STATUS REPORT ON LAKE ACTIVITIES**

Mose Trimble, Lake Inspector

- 1) Lake is 7" low.
- 2) Had a safe July 4<sup>th</sup> on Lake.

**FINANCIAL REPORT**

David Hopkins, Director of Finance

- 1) Presented the June financials.

**DISCUSS/CONSIDER ADOPTING CODE OF ETHICS AND POLICIES FOR TRAVEL EXPENDITURES, INVESTMENTS, PROFESSIONAL SERVICES AND FISCAL MANAGEMENT, PURSUANT TO SECTION 49.199, TEXAS WATER CODE**

Mr. Hopkins explained that the Investment Policy is required to be reviewed annually, with there being no changes made at this time. A motion was made by Director Stover, seconded by Director Sparkman to adopt Code of Ethics and Policies for Travel Expenditures, Investments, Professional Services and Fiscal Management, pursuant to Section 49.199, Texas Water Code. The motion carried unanimously.

**DISCUSS/CONSIDER AUTHORIZING COLLECTIONS CONTRACT WITH HENDERSON COUNTY TAX OFFICE FOR COLLECTION OF 2009 PROPERTY TAXES**

Mr. Hopkins explained that this is renewal of the same contract as in past years, at a cost of .90 cents per parcel. A motion was made by Director Gatlin, seconded by Director Hawn to authorize the Collections Contract with Henderson County Tax Office for Collection of 2009 Property Taxes. The motion carried unanimously.

**MARINA REPORT  
A) CONCESSIONAIRE STATUS REPORT ON MARINA ACTIVITIES**

Peter Gould stated that July 4<sup>th</sup> went very well at the Marina and he is looking forward to another year.

**DISCUSS/CONSIDER AUTHORIZING PARTIAL REIMBURSEMENT FOR TEMPORARY RESTROOM FACILITIES LOCATED AT LAKE ATHENS MARINA, AS REQUESTED BY PETER GOULD**

A motion was made by Director Gatlin, seconded by Director Hawn to authorize 50% reimbursement to Peter Gould for temporary restroom facilities that were placed at Lake Athens Marina for July 4<sup>th</sup> weekend. The motion carried unanimously.

**DISCUSS/CONSIDER AUTHORIZING SOLUTIENT GEOSCIENCES, INC. TO PERFORM ANNUAL SOIL-SLUDGE MONITORING REQUIREMENTS AND ANNUAL SLUDGE SUMMARY REPORT**

Glen Herriage, Director of Utilities explained that this will authorize the annual soil-sludge monitoring requirements and sludge summary report at an estimated cost not to exceed \$2,658.65. A motion was made by Director Hawn, seconded by Director Gatlin to authorize Solutient Geosciences, Inc. to perform annual soil-sludge monitoring requirements and annual sludge summary report. The motion carried unanimously.

**DISCUSS/CONSIDER AWARDED BID FOR HOT MIX OVERLAY OF  
MARINA ROAD, PARKING LOT & BOAT RAMP ACCESS**

Mr. Herriage recommended the bid for hot mix overlay of Marina road, parking lot & boat ramp access be awarded to low bidder, Simon Traylor & Sons, Inc. at a cost of \$85.50 per ton, for a total cost of \$45,657.00. A motion was made by Director Gatlin, seconded by Director Stover to award the bid for hot mix overlay of Marina road, parking lot & boat ramp access to Simon Traylor & Sons, Inc., as presented. The motion carried unanimously.

**DISCUSS/CONSIDER AUTHORIZING STAFF TO ADVERTISE FOR BIDS FOR  
REMOVAL AND DISPOSAL OF SLUDGE**

Mr. Herriage requested authorization to advertise for bids for removal and disposal of sludge. A motion was made by Director Gatlin, seconded by Director Hawn to authorize staff to advertise for bids for removal and disposal of sludge. The motion carried unanimously.

**DISCUSS/CONSIDER AUTHORIZING VELVIN & WEEKS CONSULTING  
ENGINEERS TO PREPARE EMERGENCY ACTION PLAN FOR LAKE  
ATHENS DAM IN ACCORDANCE WITH TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY RULES AND REGULATIONS**

After discussion, a motion was made by Director Gatlin, seconded by Director Stover to authorize Velvin & Weeks Consulting Engineers to proceed with Emergency Action Plan for Lake Athens Dam in accordance with Texas Commission on Environmental Quality Rules and Regulations and to request T.C.E.Q. to perform inspection to determine classification. The motion carried unanimously.

**DISCUSS/CONSIDER AUTHORIZING VELVIN & WEEKS CONSULTING  
ENGINEERS TO INVESTIGATE WATER LOSS AT LAKE ATHENS DAM**

After discussion, a motion was made by Director Gatlin, seconded by Director Sparkman to authorize Velvin & Weeks Consulting Engineers to proceed with investigating water loss at Lake Athens dam and permitting, without drilling of test wells with ETTL. The motion carried unanimously.

**ENGINEER'S REPORT**

**A) STATUS REPORT ON CURRENT AND PROPOSED PROJECTS**

Wayne Weeks, Velvin & Weeks Consulting Engineers

- 1) Discussed options of drilling water wells to assist with water capacity.

**EXECUTIVE DIRECTOR'S REPORT**

No report was given.

**DISCUSS WASTEWATER REUSE PROJECT**

Director Perryman discussed the tour of the Crandall Wetlands on 6/30/09.

EXECUTIVE SESSION PURSUANT TO THE TEXAS GOVERNMENT CODE,  
1) SECTION 551.072 DELIBERATION REGARDING REAL PROPERTY;  
DELIBERATION CONCERNING THE PURCHASE, EXCHANGE, LEASE AND  
VALUE OF REAL PROPERTY

A motion was made by Director Hawn, seconded by Director Stover to adjourn to Executive Session. The motion carried unanimously.

Director Gatlin exited the meeting.

A motion was made by Director Sparkman, seconded by Director Stover to return to Regular Session. The motion carried unanimously.

CONSIDER ACTION RESULTING FROM DELIBERATIONS IN EXECUTIVE  
SESSION REGARDING REAL PROPERTY; DELIBERATION CONCERNING  
THE PURCHASE, EXCHANGE, LEASE AND VALUE OF REAL PROPERTY

A motion was made by Director Perryman, seconded by Director Hawn to accept terms of offer from Thomas Potthoff for purchase of 31.374 acre tract of property at a cash purchase price of \$550,000.00 (\$17,530.44 per acre), contingent upon reaching agreeable terms of contract, to be resubmitted to the Board. The motion carried unanimously. Director Perryman commented that the Board has determined that there has been plenty of open session discussion concerning this item and there is no need for a public notice.

CONSIDER PAYMENT OF STATEMENTS

A motion was made by Director Stover, seconded by Director Hawn to approve the payment of statements, as presented. The motion carried unanimously.

OPPORTUNITY FOR CITIZENS TO EXPRESS ITEMS OF CONCERN

There was no discussion.

ADJOURN

A motion was made by Director Hawn, seconded by Director Stover to adjourn. The motion carried unanimously.

PASSED AND APPROVED THIS THE 11<sup>TH</sup> DAY OF AUGUST, 2009.

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W.C. "Chip" Perryman, III, President

ATTEST:

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Pam Watson, City Secretary