

REGULAR SESSION

JULY 12, 2011

The Board of Directors of the Athens Municipal Water Authority met in Regular Session on Tuesday, July 12, 2011, 8:30 a.m. in the Council Chambers of the City of Athens with the following members present, to-wit:

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

Wylie Pirkle, Executive Director
Pam Watson, City Secretary
Glen Herriage, Director of Utilities
David Hopkins, Director of Finance
Bill Magee, Lake Inspector
Martin Bennett, A.M.W.A. Attorney
Pam Burton, City Administrator

others present: Tyler Hendrickson, Chris Weeks, Sue Ann Whitehead and other interested citizens;

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

Director Perryman called the meeting to Order.

CONSIDER APPROVING THE MINUTES OF THE JUNE 14, 2011 REGULAR SESSION

A motion was made by Director Stover, seconded by Director Sparkman to approve the minutes of the June 14, 2011 Regular Session, as written. The motion carried unanimously.

INSPECTOR'S REPORT

A) STATUS REPORT ON LAKE ACTIVITIES

Bill Magee, Lake Inspector

- 1) Lake level is approximately three ft. (3') low.
- 2) Updated on dredging/boathouses/retaining walls.
- 3) July 4th was very calm.
- 4) Experiencing some problems with lower boat ramp due to water levels.

Director Perryman recommended that markers be placed in areas of very low water levels. He also expressed concerns with hydrillia, with Glen Herriage, Director of Utilities explaining that Texas Parks & Wildlife is performing a survey today.

FINANCIAL REPORT

David Hopkins, Director of Finance

- 1) Presented June financials
- 2) Updated on approximately 30 late notices being mailed.

DISCUSS/CONSIDER DESIGNATING TIMBERLAKE ESTATES COVE AS "NO WAKE" ZONE, AS REQUESTED BY SUE ANN WHITEHEAD

Mr. Magee explained that a "No Wake" buoy was place in the Timberlake Estates Cove area due to the emergency situation which resulted from the Hurley lake dam breakage and owners in the Timberlake Estates Cove area are requesting that the buoy remain.

Sue Ann Whitehead appeared before the Board and requested that the buoy remain for safety purposes, explaining that several children swim in the area around the docks.

Director Perryman expressed his objection to "No Wake" buoys being placed throughout the Lake. Director Gatlin recommended that the area be studied, with Director Perryman recommending that this buoy be removed until a decision is made by the Board.

After discussion, no action was taken.

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 Act requires an annual adoption of this Policy, with there being no changes from the prior year. A motion was made by Director Gatlin, seconded by Director Stover to adopt the Code of Ethics and Policies for Travel Expenditures, Investments, Professional Services and Fiscal Management, as presented. The motion carried unanimously.

DISCUSS/CONSIDER AUTHORIZING COLLECTIONS CONTRACT WITH HENDERSON COUNTY TAX OFFICE FOR COLLECTION OF 2011 PROPERTY TAXES

Mr. Hopkins explained that this is renewal of the same contract from the prior year, at a cost of .90 cents per parcel. A motion was made by Director Hawn, seconded by Director Sparkman to approve the Collections Contract with Henderson County Tax Office for Collection of 2011 Property Taxes. The motion carried unanimously.

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

Mr. Hopkins reviewed a memorandum prepared by Haven Cox, Director of Human Resources, explaining that Staff is recommending that the Property/Liability/Workers' Compensation Insurance be renewed with Texas Municipal League due to Liability and Workers' Compensation rates decreasing and Property rates remaining the same. A motion was made by Director Gatlin, seconded by Director Hawn to authorize renewal of Property/Liability/Workers' Compensation Insurance with Texas Municipal League. The motion carried unanimously.

DISCUSS/CONSIDER AUTHORIZING RENEWAL OF AGREEMENT WITH CITY OF ATHENS

Wylie Pirkle, Executive Director explained that this is the renewal of the Services Agreement with the City of Athens, which has been approved by the Athens City Council. A motion was made by Director Sparkman, seconded by Director Gatlin to authorize the renewal of Agreement with City of Athens, as presented. The motion carried unanimously.

DISCUSS/CONSIDER AUTHORIZING ANDREWS & FOSTER DRILLING CO. TO PERFORM EXPLORATION DRILLING OF BOREHOLES

Mr. Pirkle explained that Andrews & Foster Drilling Co. will perform exploration drilling of two (2) additional test wells on property located in the Powder River Ranch area, at an estimated total cost of \$25,829. After discussion, a motion was made by Director Gatlin, seconded by Director Stover to authorize Andrews & Foster Drilling Co. to perform exploration drilling of boreholes, as presented. The motion carried unanimously.

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

After discussion, a motion was made by Director Stover, seconded by Director Hawn to authorize Solutient Geosciences, Inc. to perform Annual Soil-Sludge Monitoring Requirements and Annual Sludge Summary Report, at a cost not to exceed \$2,709.60. The motion carried unanimously.

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

After discussion, a motion was made by Director Hawn, seconded by Director Sparkman to authorize Staff to advertise for removal and disposal of sludge. The motion carried unanimously.

DISCUSS/CONSIDER APPROVING PLANS & SPECIFICATIONS AND AUTHORIZING STAFF TO ADVERTISE FOR BIDS FOR FILTER IMPROVEMENTS AT WATER TREATMENT PLANT

After discussion, a motion was made by Director Gatlin, seconded by Director Stover to approve plans & specifications and authorize Staff to advertise for bids for Filter Improvements at Water Treatment Plant. The motion carried unanimously.

ENGINEER'S REPORT

A) STATUS REPORT ON CURRENT AND PROPOSED PROJECTS

Tyler Hendrickson, Velvin & Weeks Consulting Engineers

- 1) Updated on Dam Maintenance Project, possibly two (2) more months before completion.

CONSIDER PAYMENT OF STATEMENTS

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

OPPORTUNITY FOR CITIZENS TO EXPRESS ITEMS OF CONCERN

There was no discussion.

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

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

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

CONSIDER ACTION RESULTING FROM DELIBERATIONS IN EXECUTIVE SESSION CONCERNING REAL PROPERTY

A motion was made by Director Perryman to authorize the President, W.C. "Chip" Perryman, III and Director, Steve Sparkman to negotiate with land owners in Henderson County for the purpose of purchasing land to obtain additional water rights for the Athens Municipal Water Authority and further, to include an authorization for the President to sign confidentiality agreements or

non-disclosure agreements that may be presented to the buyer or seller in any such transactions that are being negotiated. The motion was seconded by Director Gatlin and carried unanimously.

ADJOURN

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

PASSED AND APPROVED THIS THE 9TH DAY OF AUGUST, 2011.

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

ATTEST:

Pam Watson, City Secretary