

REGULAR SESSION

JANUARY 11, 2011

The Board of Directors of the Athens Municipal Water Authority met in Regular Session on Tuesday, January 11, 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  
Ed Gatlin  
C.A. Hawn

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

others present: Chris Weeks, Kevin Clancy and other interested citizens;

with the following member absent: Steve Sparkman;

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 DECEMBER 14, 2010  
REGULAR SESSION

A motion was made by Director Stover, seconded by Director Gatlin to approve the minutes of the December 14, 2010 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 under 2' low.
- 2) Dredging at Rose Point is complete.
- 3) Removed floating logs and timber from Dorsey Dr. Cove and pulled to bank to be burned.
- 4) Assisted Henderson County in removing culvert from Lake yesterday.

FINANCIAL REPORT

David Hopkins, Director of Finance

- 1) Presented December financials.
- 2) Updated that Audit is progressing.

DISCUSS/CONSIDER REQUEST TO CLEANUP DORSEY DR. COVE, AS  
REQUESTED BY MAX CICCARELLI  
DISCUSS ISSUES RESULTING FROM DAM FAILURE ON HURLEY PROPERTY,  
AS REQUESTED BY MAX CICCARELLI

Kevin Clancy appeared on behalf of Max Ciccarelli. Mr. Clancy asked how many liens are on the Hurley property, with A.M.W.A. Attorney Martin Bennett responding that based upon research by Attorney's Title Co. there appear to be seven (7) liens placed on the property, with the largest being by the State of Texas at approximately \$700,000, an estimated \$150,000 in Federal Tax liens, and

several other various liens, with the estimated sum of all liens totaling between \$850,000 to \$900,000. He stated that any of these groups can foreclose on the property.

Mr. Clancy questioned the value of the Hurley property, with Attorney Bennett responding that the tax roll reflects one parcel has a total market value of \$100,000 and another has a total market value of \$128,000, however, there appear to be three parcels for a total of approximately 110 acres.

Director Perryman asked if there has been any insight into Ms. Hurley having an insurance carrier, with Attorney Bennett responding that this has not been determined.

Director Hawn expressed his concern with additional damage resulting from possible Spring rains due to the dam not being repaired, with Wylie Pirkle, Executive Director expressing his feelings that the only silt damage control that can be considered at this time is planting of grass.

Mr. Clancy asked if the State has responsibility for private dams, with Mr. Pirkle explaining that T.C.E.Q. has control of the permitting.

Mr. Clancy questioned the debris that remains in Dorsey Dr. Cove, with Bill Magee, Lake Inspector explaining that the Cove ranges from 2 ft. to 15 ft. in depth and the sonar that he purchased shows the Cove to be remarkably clean and does not appear to be a bad situation.

Mr. Clancy asked if there is an estimate to the volume of debris that has been introduced into the Lake, with Mr. Pirkle responding that there is no good estimate.

Mr. Clancy questioned Ms. Hurley's insurance, with Attorney Bennett responding that it is unknown.

Mr. Clancy asked if A.M.W.A.'s insurance might cover this damage, with Mr. Pirkle explaining that it will not cover this issue.

Mr. Clancy asked if there is any disaster relief money available, with Mr. Pirkle stating that he does not believe there is, however, this has not been researched.

Mr. Clancy asked what A.M.W.A. plans to do to prevent continued damage. Attorney Bennett discussed T.C.E.Q.'s authority, however, Mr. Pirkle explained that this would be a slow process and could take another year or longer.

Mr. Clancy asked about the obligation to preserve and protect the purity of the water, stating that something needs to be done about the dam. Mr. Pirkle explained that he does not know the answer due to the problem being a private property owner. After discussion, Mr. Pirkle stated that he has been informed by the Operations Manager that there is no significant difference in the quality of the potable water being supplied to the City after the dam failure.

Mr. Clancy questioned if A.M.W.A. is going to do anything to help the homeowners clean up the Cove. After discussion, Director Perryman stated that the Board has made no decisions and is in the process of gathering all information.

Mr. Clancy discussed a Partial Release of Flood Easement that was given by A.M.W.A. on the property in 1995.

#### DISCUSS/CONSIDER FUTURE WATER SUPPLY

Mr. Pirkle updated the Board that Freese and Nichols has provided three scenarios to becoming a partner in the Dallas Pipeline Project and they are running all costs.

Mr. Pirkle stated that there are no issues with permitting water wells, based on Region C Water Plan.

ENGINEER'S REPORT

A) STATUS REPORT ON CURRENT AND PROPOSED PROJECTS

Chris Weeks, Velvin & Weeks Consulting Engineers

- 1) Updated on installation of recirculation meter and riser within the clearwell at Water Treatment Plant, progressing as planned.
- 2) Clarified that the amount of dredging allowed without permitting through the Corp of Engineers has decreased from 50 cu. yd. to 25 cu. yd.

CONSIDER PAYMENT OF STATEMENTS

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

OPPORTUNITY FOR CITIZENS TO EXPRESS ITEMS OF CONCERN

A concerned citizen asked if the dam at Athens Fish & Game Lake on F.M. 317 has an possible risks.

EXECUTIVE SESSION PURSUANT TO THE TEXAS GOVERNMENT CODE,  
SECTION 551.071 CONSULTATION WITH ATTORNEY; CONSULTATION  
CONCERNING CONTEMPLATED LITIGATION

The Board adjourned to Executive Session at 9:05 a.m.

The Board returned to Regular Session at 9:29 a.m.

CONSIDER ACTION RESULTING FROM DELIBERATIONS IN EXECUTIVE  
SESSION CONCERNING CONTEMPLATED LITIGATION

No action was taken.

ADJOURN

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

PASSED AND APPROVED THIS THE 8<sup>TH</sup> DAY OF FEBRUARY, 2011.

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

ATTEST:

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Pam Watson, City Secretary