

REGULAR SESSION

APRIL 9, 2013

The Board of Directors of the Athens Municipal Water Authority met in Regular Session on Tuesday, April 9, 2013, 8:30 a.m. in the Council Chambers of the City of Athens with the following members present, to-wit:

Mike Stover
Ed Gatlin
Steve Sparkman
Joe Whatley
Charles Elliott

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

others present: Tyler Hendrickson, Erv Jenkins, Chris Weeks, Marlin Smith and other interested citizens;

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

Director Stover called the meeting to Order.

CONSIDER APPROVING THE MINUTES OF THE MARCH 12, 2013
REGULAR SESSION

A motion was made by Director Gatlin, seconded by Director Stover to approve the minutes of the March 12, 2013 Regular Session, as written. The motion carried unanimously.

DISCUSS/CONSIDER AUDIT REPORT FOR FISCAL YEAR ENDING
SEPTEMBER 30, 2012

Marlin Smith with Smith, Lambright and Associates, presented the Audit Report for fiscal year ending 9/30/12, stating that the financial records are fairly presented, Athens Municipal Water Authority is in good shape, and records are well maintained.

Director Elliott asked if there were any suggested changes for A.M.W.A.'s current accounting practices, with Mr. Smith responding that he had none and the Board should be very happy.

A motion was made by Director Gatlin, seconded by Director Whatley to accept the Audit Report for fiscal year ending 9/30/12. The motion carried unanimously.

INSPECTOR'S REPORT
A) STATUS REPORT ON LAKE ACTIVITIES

Bill Magee, Lake Inspector, updated on the following:

- 1) Lake level is 437.65 m.s.l.
- 2) Lake is beginning to have heavy recreational use

FINANCIAL REPORT

David Hopkins, Director of Finance, presented the March financials.

DISCUSS/CONSIDER AUTHORIZING AGREEMENT WITH OAKWOOD
PROPERTY OWNERS ASSOCIATION, INC. CONCERNING THE
DEVELOPMENT AND SELL OF PROPERTY LOCATED IN DAVID CHERRY
LEAGUE, A-135

Wylie Pirkle, Executive Director, stated that this Agreement is concerning a 2.43 acre tract of A.M.W.A. property that is located inside Oakwood Subdivision. He explained that the proposed Agreement provides an easement to allow for construction of a roadway which will provide access to the property, provides for Oakwood Property Owners Association to receive 10% of any net sale proceeds in excess of \$800,000, and provides O.P.O.A. with a right of first refusal for one (1) year.

He explained that this Agreement will also allow O.P.O.A. to construct a boat launch for use by Oakwood Subdivision property owners, and will allow eight (8) additional boat slips to be constructed by O.P.O.A. Director Gatlin questioned the location of the boat launch, with Erv Jenkins, Oakwood Property Owners Association Board Member, stating that they will work with Mr. Pirkle and Mr. Magee on a mutually agreed location, however, they are anticipating the east side of the development near the clubhouse.

Director Elliott expressed his concerns with the 90/10 net sale proceeds arrangement. After a lengthy discussion, a motion was made by Director Gatlin, seconded by Director Elliott to authorize Agreement with Oakwood Property Owners Association, Inc. concerning the development and sell of property located in David Cherry League, A-135. The motion carried unanimously.

DISCUSS/CONSIDER AUTHORIZING AMENDMENT TO ADDITIONAL
PARTY RAW WATER SUPPLY CONTRACT WITH LAKE ATHENS
PARTNERS, L.P.

Mr. Pirkle explained that this will amend the rate for water diverted by customer from .67 cents to .74 cents per 1,000 gallons, with the term of the Amendment beginning on May 1, 2013 and continuing for a one (1) year period. After discussion, a motion was made by Director Elliott, seconded by Director Sparkman to authorize Amendment to Additional Party Raw Water Supply Contract with Lake Athens Partners, L.P. The motion carried unanimously.

DISCUSS/CONSIDER DIVERSION PERMIT WITH TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY FOR TEXAS FRESHWATER FISHERIES
CENTER

Mr. Pirkle expressed his concerns with Texas Parks & Wildlife being brought back into compliance with their Diversion Permit. After discussion, a motion was made by Director Elliott, seconded by Director Gatlin to authorize Mr. Pirkle to send a letter to Texas Parks & Wildlife informing them that they must comply with the Diversion Permit with Texas Commission on Environmental Quality for Texas Freshwater Fisheries Center. The motion carried unanimously.

DISCUSS JOINT DEVELOPMENT AGREEMENT WITH TEXAS PARKS AND
WILDLIFE DEPARTMENT FOR DEVELOPMENT OF WATER WELL AT
LAKE ATHENS MARINA

Mr. Pirkle explained that Texas Parks & Wildlife has provided him with a Draft Contract concerning development of the water well at Lake Athens Marina, however, after review by A.M.W.A. Attorney Martin Bennett and Mr. Pirkle, they did not agree with the terms and it was returned to Texas Parks & Wildlife for modifications.

ENGINEER'S REPORT

A) STATUS REPORT ON CURRENT AND PROPOSED PROJECTS

Tyler Hendrickson, Velvin & Weeks Consulting Engineers, provided the following update:

- 1) Status report on seven (7) Monitoring Wells
- 2) Status report on Water Treatment Plant Well and Test Well
- 3) Status report on Transmission Line from Water Treatment Plant Well to the Clearwells
- 4) Reviewed options for future wells

After discussion, Mr. Pirkle stated that if the engineering and inspection fees on the re-drill of the well at Lake Athens Marina total over \$1,000.00, he will pursue the contractor paying those fees.

EXECUTIVE DIRECTOR'S REPORT

Wylie Pirkle, Executive Director

- 1) Discussed State Water Planning Board and 5 Year Water Plan Study.

CONSIDER PAYMENT OF STATEMENTS

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

PASSED AND APPROVED THIS THE 14TH DAY OF MAY, 2013.

David M. "Mike" Stover, President

ATTEST:

Pam Watson, City Secretary