

**ATHENS MUNICIPAL WATER AUTHORITY
REGULAR SESSION
August 6, 2014**

The Board of Directors of the Athens Municipal Water Authority ("AMWA") met in Regular Session on Wednesday, August 6, 2014 at 8:00 a.m. in the Council Chambers of the City of Athens with the following members present and constituting and quorum, to-wit:

Stephen R. Sparkman
Ed Gatlin
Donald A Foster
David Thomas
Mike Peek
Wylie Pirkle, Executive Director
Martin Bennett, AMWA Attorney
Bill McGee, Lake Inspector

Others present were:

Glen Herriage, Director of Utilities
Corey Frentress, of Velvin & Weeks Engineering
Various members of the public

CALL TO ORDER

Director Stephen R. Sparkman called the meeting to order at 8:05 a.m.

MINUTES

Motion was made by Donald A. Foster and seconded by David Thomas to approve the Minutes of the Regular Session on April 8, 2014 and Minutes of the Regular Session on July 9, 2014. Mike Peek abstained due to not being present at the Board Meetings or not being on the Board on the date of the meeting. The Motion carried unanimously by the remaining Directors.

CITIZENS TO EXPRESS CONCERNS

No citizen undertook the opportunity to express items of concern.

INSPECTOR'S REPORT

Bill McGee gave the inspector's report, reporting that the lake level was 439.60 MSL; he reported that an erosion job had been performed on Bay Shore Drive; he also reported there was no ongoing project; reported that there were no problems on weekends on which he has patrolled the lake.

FINANCIAL REPORT

This matter was passed until Item #8 (Committee Reports)

ENGINEER'S REPORT

Corey Frentress of Velvin & Weeks Engineering presented the Engineer's Report on the following matters:

1. Preliminary concept plan for water wells;
2. Water Treatment Plant well;
3. Fence behind the dam; and
4. Maintenance of land.

BIDS FOR RENOVATIONS TO WATER TREATMENT PLANT

Motion was made by Ed Gatlin and seconded by David Thomas to authorize staff to advertise for bids for renovations to the water treatment plant as recommended by Velvin & Weeks. The Motion carried unanimously.

COMMITTEE REPORTS

Committee reports were given as follows:

- | | |
|------------------------|-----------------------|
| a. Lake Athens | - Stephen R. Sparkman |
| b. Finance | - Ed Gatlin |
| c. Water Development | - Donald A. Foster |
| d. City/AMWA Relations | - David Thomas |
| e. Public Awareness | - Stephen R. Sparkman |
| f. Economic Impact | - Mike Peek |

EXECUTIVE DIRECTOR'S REPORT

Executive Director Wylie Pirkle thanked the Board of Directors for the hard work that they have given to the Authority during the last several months.

CONSIDERATION FOR PAYMENT OF STATEMENTS

Motion was made by Ed Gatlin and seconded by Donald A. Foster to pay all statements that have been presented to the Water Authority. The Motion carried unanimously to authorize payments of all bills that were presented.

APPOINTMENT OF AUDITOR

Motion was made by Mike Peek and seconded by David Thomas to approve of the firm of Smith, Lambright & Associates to perform the audit for the Authority for the year ending September 30, 2014. The Motion carried unanimously.

BUDGET

Discussion of budget was conducted by the Board of Directors and the Executive Director.

TAX RATE PROPOSAL

Motion was made by David Thomas and seconded by Ed Gatlin to propose to adopt a specific tax rate of .122173 per thousand on a future agenda. The Motion carried unanimously.

FIREARMS

Motion was made by David Thomas and seconded by Stephen R. Sparkman to authorize the Executive Director to issue permits under Rules & Regulations, Article 16, Firearms and Explosives, Section 1 Firearms and Explosives. The Motion carried unanimously.

AMWA OFFICE

Presentation was given by Wylie Pirkle and discussion was conducted by the Board of Directors concerning future office needs of the Authority. No action was presented or taken.

WEBSITE

Motion was made by David Thomas and seconded by Ed Gatlin to contract with Clever Mutt, LLC to create and maintain a website for the Authority. The Motion carried unanimously.

EXECUTIVE SESSION PURSUANT TO THE
TEXAS GOVERNMENT CODE, SECTIONS 551.071

The Board entered into Executive Session beginning at 9:55 a.m. for the purpose of: consultation with attorney regarding litigation in Cause No. 2013A-1145, 173rd Judicial District Court, Henderson County, Texas.

At 11:00 a.m. the Board returned to regular session.

AMWA BOARD RESOLUTION AFTER EXECUTIVE SESSION

Motion was made by Stephen R. Sparkman and seconded by Mike Peek to exercise due diligence in continuing negotiations with the City of Athens to resolve the litigation filed in Cause No. 2013A-1145, 173rd Judicial District Court, Henderson County, Texas, styled Athens Municipal Water Authority, a Municipal Utility District and Political Subdivision of the State of Texas v. City of Athens, a Municipal Corporation of the County of Henderson. The Motion carried unanimously.

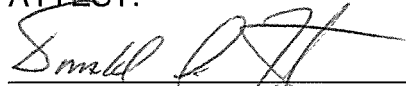
ADJOURN

Motion was made by Mike Peek and seconded by David Thomas to adjourn. The motion carried unanimously.

PASSED AND APPROVED on this 10TH day of SEPTEMBER, 2014.


STEPHEN R. SPARKMAN, President

ATTEST:



Donald A. Foster, Secretary