Fort Griffin Special Utility District

1180 C.R. 109

Albany, TX 76430

FORT GRIFFIN SPECIAL UTILITY DISTRICT Board of Directors met Friday, March 2, at the Prairie Star Catering Shack, 100 Ellison St., Albany, TX.

Board President Burrell McKelvain called the meeting to order at 12:48 p.m. Other Directors present were Ken Hill, John Adams, Jim Blancq, Sam Snyder, and Robert Montgomery. General Manager Mark Gardenhire and Office Manager Betty Barrett also attended the meeting.

Visitor Comments, limited to five minutes: Sid Collinsworth was present to voice some concerns he has, which included:

* Board election in 2019
* Will cost of new project affect customers’ water bills?
* Purchase of 60-acre property for water treatment plant – were CD’s used as collateral; was it necessary to purchase 60 acres rather than 20 acres?
* Lack of money in Reserves
* Purchases in the past – dump truck, car, other vehicles
* Concerns about money coming in and money going out
* His desire to represent customers by attending monthly meetings

Approval of minutes: Following a review of the February 1, 2018, meeting minutes, Ken Hill made a motion to approve the minutes as read. Robert Montgomery seconded the motion, and it carried.

Approval of February, 2018 expenditures and financial reports: President McKelvain asked about the increase in employee health and medical insurance over last year. Betty stated that it did increase, and she will review the costs and report at the April meeting. Following the discussion and a review of the February expenditures and financial reports, John Adams made a motion to approve the expenditures and reports as submitted. Sam Snyder seconded the motion, and it carried.

Review Investment Policy: Office Manager Betty Barrett stated that no changes have been made in the policies for banking, depositories, investments, etc. Following a discussion concerning the current Investment Policy, John Adams made a motion to approve the policy as is. Ken Hill seconded the motion, and it carried

Update on RD Project: Engineer Derek Turner was not present due to a family illness; Mark reported information he has received. According to the recent communication with West Central Texas Municipal Water District, FGSUD’s raw waterline connection will be at Tie-In 3B (see attached map) north of Breckenridge. The distance is approximately 7.7 miles from the treatment plant site to this connection, which would increase the cost by approximately $75,000. Mark stated that FGSUD will be required to pay WCTMWD a fee(s), but is not sure what the amount will be. Derek has estimated the cost of the water will be $5.50/1,000 gallons once the project is completed and the raw water is being treated. Mark discussed with BRA the possibility of selling the affluent water and was told it can only be sold for municipal use. He also stated that there is a possibility that FGSUD will have to pay for right-of-way easements.

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Resolution – borrowed money – Mark stated that following an appraisal on the purchased land, First National Bank amended the loan, which previously used Certificates of Deposit as collateral, to instead hold the land as collateral. Funds in the amount of $130,000 were re-deposited into a CD and $20,000 was deposited to the FGSUD Operating Account.

Manager’s Report: 1) Mark explained the unexpected costs due to freezing weather that damaged pumps, motors, and meters, and that he is in the process of having repairs and replacements made. 2) Due to free chlorine from the City of Albany, our trihalomethane levels have been exceptionally high and for the last two quarters we have exceeded the required level of 0.80. The additional flushing will be continued in order to move water in low usage areas and end of line areas. Two water sample tests are taken each quarter at sites on FM 1853 east of Moran and FM 209 near Woodson. 3) Mark and John Adams will be attending the TRWA Annual Convention in Dallas April 3-5, 2018, and will not be able to attend a first Thursday meeting. The Board rescheduled the monthly Board meeting to be held Thursday, April 12, 2018.

There being no further business, Sam Snyder made a motion that the meeting adjourn. Ken Hill seconded the motion, and the motion carried. The meeting adjourned at 2:32 p.m.

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Burrell McKelvain, Certifying Official

President of the Board