

Minutes of Monthly Board Meeting
Central Bowie County WSC
January 5, 2005

Meeting called to order at 7:30 pm

The minutes of the December 7, 2004 monthly meeting were read and approved.

Public Discussion:

There was no Public Discussion

Secretary/Treasurer: Treasurer's report summarizing income and expenses for December was presented by Calvin Pierce. Net income for December was \$ 5,887.73. This figure does not include depreciation. Motion was made, seconded and carried to approve Treasurer's report.

General Manager's Discussion:

General Manager discussed budget, unaccounted for water, customer complaints, capital improvements, and operations/maintenance activities. UAW was 13.8%.

Old Business:

CCN Amendment: A draft agreement has been reviewed by attorney. Final document is not ready.

Mapping Project: Two alternative proposals were presented. Maverick Consulting submitted an AutoCAD Map 3D based proposal. OneGIS submitted an ArcEditor based proposal. Hardware selections were similar and both from Dell. No proposal was chosen, matter was tabled.

Allocation of Short Term Capital Improvements: \$67,000.00 was transferred from the operating account into a Short Term Capital Improvements Money Market Account held at Guaranty Bank in accordance with the 2005 Budget process which was presented and approved at December 7, 2004 meeting. No allocation of funds for specific projects was made.

Resolution amending personnel policies to adjust work week: Motion was made, seconded and carried to adopt resolution 010505.

Consider amending Tariff to adjust cost of new service: Matter was discussed in great detail. General Manager to prepare presentation for next meeting covering rates, rate making, equity-buy-in, etc.

Consider amending Tariff to adjust rates: Motion was made, seconded and carried to not raise rates at this time.

New Business:

Budget Realignment: No adjustments were made.

Consider amending Tariff to redefine reconnect fee to disconnection fee: Motion was made, seconded and carried to redefine reconnect fee to disconnection fee.

Consider amending Tariff to refine reset definition: Motion was made seconded and carried to refine reset definition to address condition of existing facilities and hold new applicants responsible for any additional cost required to upgrade/repair facilities.

Non-Agenda Items:

Motion was made, seconded, and carried to require Grady Epperson to bring pizza to next meeting as penance for missing meeting.

There was no executive session.

Meeting was adjourned at 10:10 pm.

Members Present:

Calvin Pierce
Gene Raney
Winfred Thompson
Bob Knox
Jack Braley
Tom Coleman

Hal Harris - Manager



Minutes of Monthly Board Meeting
Central Bowie County WSC
February 1, 2005

Meeting called to order at 7:00 pm

The minutes of the January 5, 2005 monthly meeting were read and approved.

Public Discussion:

Scott Hoelzle, P.E. of KSA Engineers gave an impressive presentation of his company and qualifications. He discussed constructing a system map and water system capacity.

Secretary/Treasurer: Treasurer's report summarizing income and expenses for January was presented by Calvin Pierce. Motion was made, seconded and carried to approve Treasurer's report.

General Manager's Discussion:

General Manager discussed budget, unaccounted for water, customer complaints, capital improvements, and operations/maintenance activities. UAW was 17% for December.

Old Business:

CCN Amendment: The draft agreement has been revised, but is still with attorney.

Mapping Project: Motion was made, seconded, and carried (5 yeas, 2 abstain) to contract for services with KSA engineers for construction of system map and hydraulic model. The project's budget will be \$25,000.00 (\$21,000.00 for mapping and \$4,000.00 for Hardware/Software).

Allocation of Short Term Capital Improvements: \$25,000.00 allocated for mapping/hydraulic model project.

Consider amending Tariff to adjust cost of new service: Matter was discussed in great detail. General Manager discussed membership fees, capital recovery fees, equity-buy-in, etc. A suggestion was made to address this topic in a separate, dedicated meeting.

Consider Resolution 020105a amending Tariff to redefine reconnect fee to disconnection fee: Motion was made, seconded and carried to adopt resolution.

Consider Resolution 020105b amending Tariff to refine reset definition: Motion was made seconded and carried to adopt resolution.

New Business:

Budget Realignment: No adjustments were made.

Non-Agenda Items:

There was discussion regarding Rhett Duffer's new subdivision. No change in policy on dead ends.

There was no executive session.

Meeting was adjourned at 11:10 pm.

Members Present:

Grady Epperson	Winfred Thompson	Tom Coleman
Calvin Pierce	Bob Knox	Jack Braley
Gene Raney	<i>Hal Harris - Manager</i>	

Minutes of Monthly Board Meeting
Central Bowie County WSC
March 1, 2005

Meeting called to order by Grady Epperson at 7:00 pm

The minutes of the February 1, 2005 monthly meeting were read and approved.

Public Discussion:

There was no public discussion.

Secretary/Treasurer: Treasurer's report summarizing income and expenses for February was presented by Calvin Pierce. Motion was made, seconded, and carried to approve Treasurer's report.

General Manager's Discussion:

General Manager discussed budget, unaccounted for water, customer complaints, capital improvements, and operations/maintenance activities. UAW was 14% for January.

Old Business:

CCN Amendment: The draft agreement has been forwarded to City of Dekalb for review. No response.

Mapping Project: Engineer has begun work. Cost of HW/SW will be \$5,366.00. Request for Trimble GPS (\$1,500.00) and Headright Survey data (\$500.00) by General Manager was denied.

Allocation of Short Term Capital Improvements: An additional \$1,366.00 was allocated to Mapping Project bringing total budget to \$26,366.00. \$8,300.00 was allocated to US 82 Widening project to connect lines on the north side of US 82.

Consider amending Tariff to adjust cost of new service: To be addressed in a separate, dedicated meeting.

Annual Meeting: Motion was made, seconded, and approved to present plaque to Mr. Shumake at meeting.

2004 Audit: General Manager reported pending proposal from Arnold, Walker, Arnold and Co, P.C.

Rhett Duffer Subdivision: General Manager presented proposed plan. There was much discussion.

New Business:

Budget Realignment: No adjustments were made to operating budget.

TWU Water Purchase Contract Amendment: Amendment raising purchase price from \$1.28/\$1.40 to \$1.32/\$1.45 was discussed and approved.

Non-Agenda Items: None

There was no executive session.

Meeting was adjourned at 10:00 pm.

Members Present:

Grady Epperson	Winfred Thompson	Tom Coleman
Calvin Pierce	Bo Barron	Jack Braley
Gene Raney	<i>Hal Harris - Manager</i>	

Minutes of Monthly Board Meeting
Central Bowie County WSC
April 5, 2005

Meeting called to order by Grady Epperson at 7:00 pm

The minutes of the March 1, 2005 monthly meeting were read and approved.

Public Discussion:

Scott Morden's request to extend water down CR 4241 and along CR 4270 was approved. Lindsey-Young Enterprises required to provide plat to General Manager and comply with sub-division policy.

Secretary/Treasurer: Treasurer's report summarizing income and expenses for March was presented by Calvin Pierce. Motion was made, seconded, and carried to approve Treasurer's report.

General Manager's Discussion:

General Manager discussed budget, unaccounted for water, customer complaints, capital improvements, and operations/maintenance activities. UAW was 16% for February.

Old Business:

CCN Amendment: City has responded with a letter stating that the agreement is under review.

Mapping Project: Draft of map has been provided for CBCWSC review. Hardware/Software has been purchased and configured.

2004 Audit: Resolution 040505a approved. Selected Arnold, Walker, Arnold and Co, P.C. to perform both FY 2004 and FY 2005 audits.

Resolution 040505b amending TWU water purchase contract: Approved.

New Business:

Budget Realignment: No adjustments were made to operating budget. General Manager reported increasing cost of health insurance. Subject to be worked out between General Manager, employees, Bob Knox, and insurance carrier. There was no interest in purchasing TWDB Conservation Kits.

Elect Board Member: Charles Roberts elected to serve in place of Gay Shumake.

Elect Officers: Election of officers as follows: President – Grady Epperson; Vice-President – Jack Braley; Secretary/Treasurer – Calvin Pierce.

Non-Standard Service Applications: Resolution 040505c was discussed. General Manager asked to use engineer before approving additions to current system.

Non-Agenda Items: David Willis's request for additional meter on closed section (CR 4003) was denied. A group of board members will assemble at some time to present Gay Shumake's plaque. General Manager reported that sewer system of Children's Academy of Simms is in conflict with our facility.

There was no executive session.

Meeting was adjourned at 9:00 pm.

Members Present:

Bo Barron Gene Raney Grady Epperson Tom Coleman *Hal Harris - Manager*
Jack Braley Calvin Pierce Winfred Thompson *Guests: Scott Morden, Dorothy Lindsey-Young*

Minutes of Monthly Board Meeting
Central Bowie County WSC
May 3, 2005

Meeting was cancelled due to lack of quorum.

Members Present:

Calvin Pierce
Gene Raney
Bob Knox
Charles Roberts

Hal Harris - Manager



Minutes of Monthly Board Meeting
Central Bowie County WSC
June 7, 2005

Meeting called to order by Grady Epperson at 7:04 pm

The minutes of the April 5, 2005 and May 3, 2005 monthly meetings were read and approved.

Public Discussion:

Mr. Greg Nelson of Capps Insurance presented his firm's insurance proposal.
Mr. Scott Hoelzle of KSA Engineers discussed progress of mapping/hydraulic study.

Secretary/Treasurer: Treasurer's reports for April and May were tabled.

General Manager's Discussion:

General Manager discussed budget, unaccounted for water, customer complaints, capital improvements, and operations/maintenance activities. UAW was 14% for April.

Old Business:

CCN Amendment: General Manager reported that per telephone conversation with Dave Meadows, the Dekalb City Council is aware of situation. Motion to have attorney seek cease and desist order was made, seconded, and carried.

Mapping Project: Map is complete. Hardware/Software has been delivered. Preliminary hydraulic study results were presented. Model indicates a number of deficiencies. The model needs only to be tweaked and verified before final report and master plan can be developed. Motion was made, seconded, and carried to suspend all new memberships/services pending final hydraulic study and delivery of engineer's report and master plan. Applications/Agreements already in progress will be honored.

2004 Audit: Audit is complete and indicates an increase in net assets of \$139,262.00

Lindsey Lane: Engineer's recommendations were approved. If developer to proceed, engineer to develop construction documents. Developer or engineer to solicit bids based on construction documents.

Resolution 040405c (amended draft) Non-Standard Service Applications: Resolution was tabled pending engineer's report and master plan.

New Business:

Budget Realignment: No adjustments were made to operating budget.

SB imposing tax on usage: No action necessary

Property insurance renewal: Motion was made, seconded and approved to authorize committee (Calvin Pierce and Bob Knox) to compare and select insurance within guidelines established by the Board of Directors during the meeting. Calvin Pierce and Bob Knox authorized to sign all contract documents.

Non-Standard Service Applications: Requests for service CR 4223 N, CR 4123, and CR 4284 were tabled pending engineer's report and master plan.

Non-Agenda Items:

Gay Shumake Plaque: It was suggested that Gay be invited to next board meeting for presentation.

Children's Academy of Simms: Sewage no longer pooling. Bobby Huggins has begun work to correct.

Request for Service FM561/FM44 E: No variance in policy. Line is closed. No meter will set.

Contract Labor: General Manager directed to draft resolution specifying that only contractors who have provided CBCWSC a certificate of liability insurance may perform work for CBCWSC.

There was no executive session.

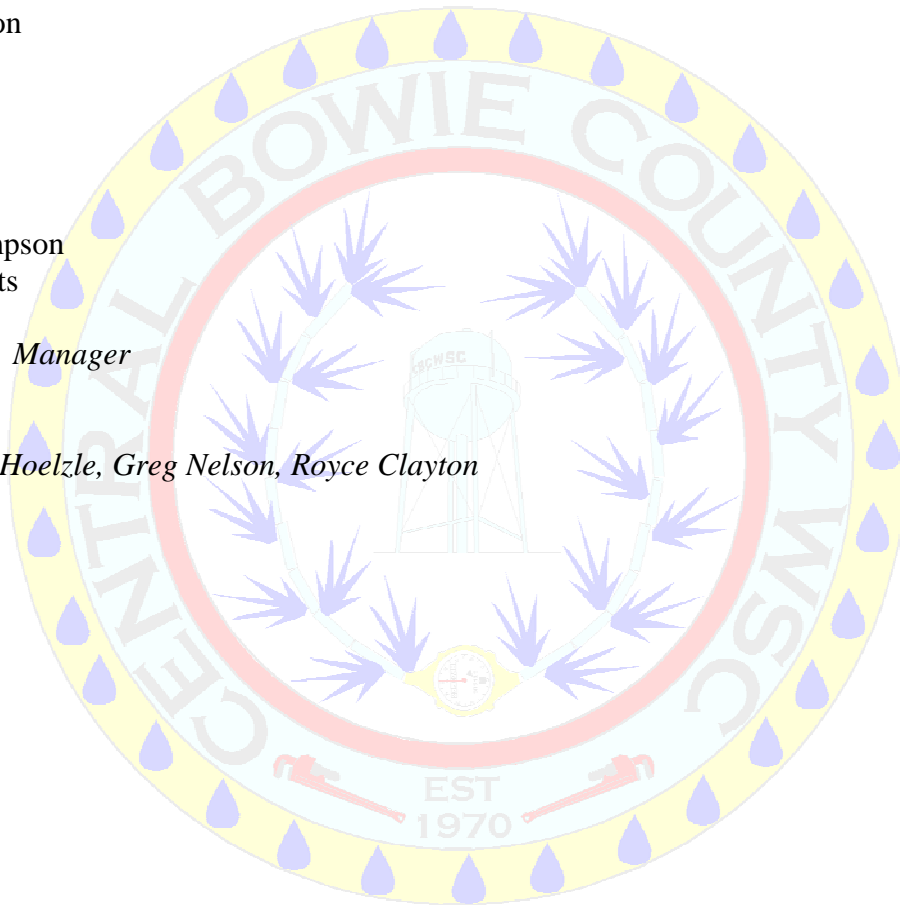
Meeting was adjourned at 10:30 pm.

Members Present:

Grady Epperson
Jack Braley
Calvin Pierce
Bo Barron
Gene Raney
Tom Coleman
Winfred Thompson
Charles Roberts

Hal Harris - Manager

Guests: Scott Hoelzle, Greg Nelson, Royce Clayton



Minutes of Monthly Board Meeting
Central Bowie County WSC
July 5, 2005

Meeting called to order by Grady Epperson at 7:05 pm

The minutes of the June 7, 2005 monthly meeting were read and approved.

Public Discussion:

There was no public discussion.

Secretary/Treasurer: Treasurer's reports for April, May, and June were and approved.

General Manager's Discussion:

General Manager discussed budget, unaccounted for water, customer complaints, capital improvements, and operations/maintenance activities. UAW was 0.76% for May.

Old Business:

CCN Amendment: Our attorney sent a letter to Dekalb urging them to respond to the agreement. City of Dekalb responded to our attorney with a letter stating that the agreement was under review by Paul Miller.

Mapping Project: Scott Hoelzle of KSA Engineers provided an update on system hydraulic model. The 98 system is deficient due to under sized lines in many areas and is overall deficient due to pumping capacity. The Rock Creek system is deficient in two areas due to under sized lines and is overall deficient due to pressure tank size. The Dekalb system is deficient in a few places due to under sized lines and is overall deficient due to inadequate elevated storage.

Reassess Status of New Installations: No change. All new memberships/services remain suspended.

Resolution 040405c (amended draft) Non-Standard Service Applications: Resolution remains tabled pending engineer's report and master plan.

Property Insurance Renewal: Insurance was renewed with current carrier, Anco-Wessendorf.

Lindsey Lane: Lindsey-Young Estates has agreed to pay Engineering Services invoice. No further actions relating to construction and development are required at this time.

Schedule Special Meeting to Address Cost of New Service: Meeting was not scheduled. General Manager directed to located On Tap article relating to customer classes and rates.

New Business:

Budget Realignment: No adjustments were made to operating budget.

Resolution 070505 requiring contractors to have insurance: Was discussed. Bob Knox to review.

North East Texas Regional Water Planning Group Strategy: Was discussed. No further action required.

Consider Implementation of Drought Contingency Plan Stage 1: Was deemed not required or applicable.

Consider Amending Drought Contingency Plan: Changes are not required. General Manager directed to develop a different document to address demand exceeding capacity issues.

Non-Agenda Items:

Gay Shumake Plaque: General Manager directed to determine if Gay can attend a special meeting on July 12, 2005 and if so to schedule it.

Children's Academy of Simms: Modified system appears to be working and in compliance.

There was no executive session.

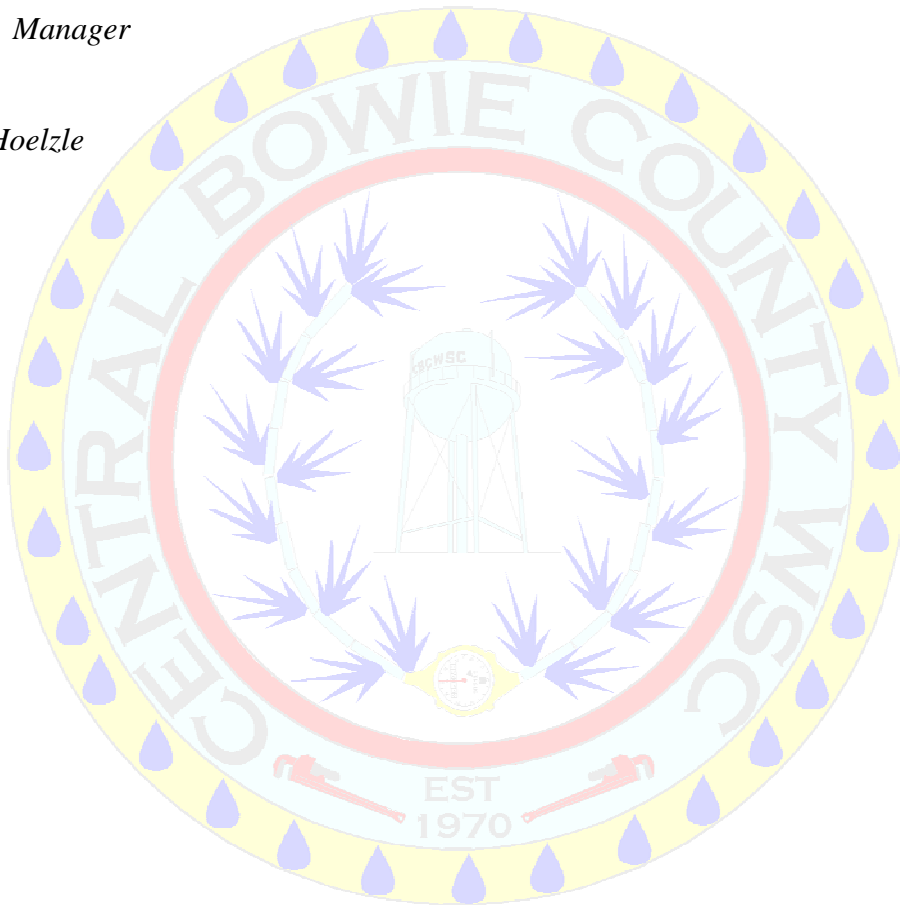
Meeting was adjourned at 10:10 pm.

Members Present:

Grady Epperson
Jack Braley
Calvin Pierce
Bo Barron
Gene Raney
Tom Coleman

Hal Harris - Manager

Guest: Scott Hoelzle



Minutes of Special Board Meeting
Central Bowie County WSC
July 12, 2005

Meeting called to order by Grady Epperson at 7:00 pm

Agenda Items:

Cost of new membership/service: Discussed. No action taken.

KSA Engineers' proposed distribution system improvements: Discussed. No action taken.

Non-Agenda Items:

Gay Shumake Plaque: Mr. Shumake was presented with a plaque commemorating his 25 years of service to CBCWSC as a member and officer of the Board of Directors.

There was no executive session.

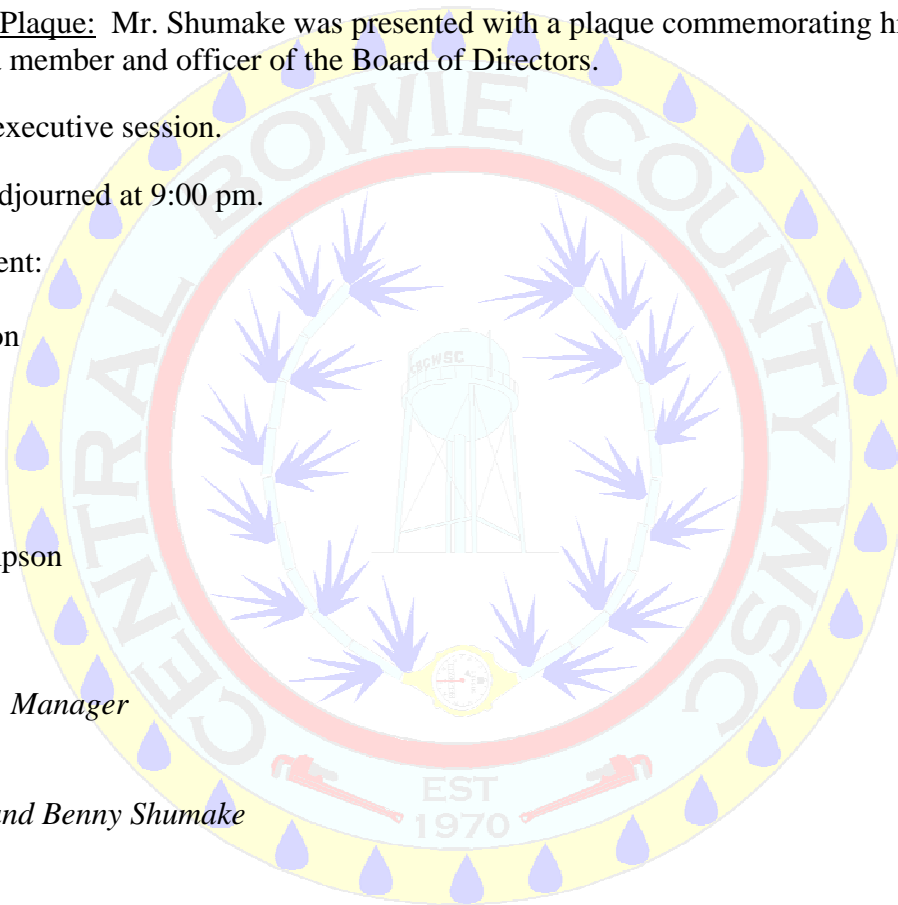
Meeting was adjourned at 9:00 pm.

Members Present:

Grady Epperson
Jack Braley
Calvin Pierce
Bo Barron
Gene Raney
Tom Coleman
Winfred Thompson
Bob Knox

Hal Harris - Manager

Guests: Gay and Benny Shumake



Minutes of Monthly Board Meeting
Central Bowie County WSC
August 2, 2005

Meeting called to order by Grady Epperson at 7:00 pm

The minutes of the July 5, 2005 monthly meeting were read and approved.
The minutes of the July 12, 2005 special meeting were read and approved.

Public Discussion:

There was no public discussion.

Secretary/Treasurer: Treasurer's report for July was approved.

General Manager's Discussion:

General Manager discussed unaccounted for water and operations/maintenance activities. UAW was 8.1 % for June.

Old Business:

CCN Amendment: No change.

Mapping Project: Scott Hoelzle of KSA Engineers delivered a draft Comprehensive System Analysis Report. He discussed deficiencies, recommended solutions, and estimated costs. Cost to bring system into compliance with existing connections estimated at \$4,835,000.00. Costs of improvements to accommodate projected growth over 10 years estimated at \$1,626,000.00. Motion was made, seconded, and carried to authorize Mr. Hoelzle to seek USDA funding.

Reassess Status of New Installations: Motion was made, seconded, and carried to approve memberships/meter installations for the 7 applicants present at the meeting and for the 4 applicants represented by proxy. These 11 meters will be set for the existing fee. Following the special meeting to address the cost of new service and consequential tariff amendment, new memberships/meter applications will be evaluated on a case by case basis.

Resolution 040405c (amended draft) Non-Standard Service Applications: Adopted.

Schedule Special Meeting to Address Cost of New Service: Meeting was scheduled for 6:00 p.m., Monday, August 8, 2005, at the CBCWSC office.

Resolution 070505 contractor insurance: Adopted

Resolution 080205 water restrictions: Adopted

New Business:

Budget Realignment: No adjustments were made to operating budget.

Resolution 080205b amending personnel policies to adjust leave accumulation: Adopted.

Non-Agenda Items:

It was suggested to place item on agenda at next regular meeting to address CCN issues accentuated by recent legislation and compounded by our capacity deficiencies.

General Manager asked to research and acquire (if applicable) the training tape relating to requirements of open meetings and public information laws as required by SB286.

There was no executive session.

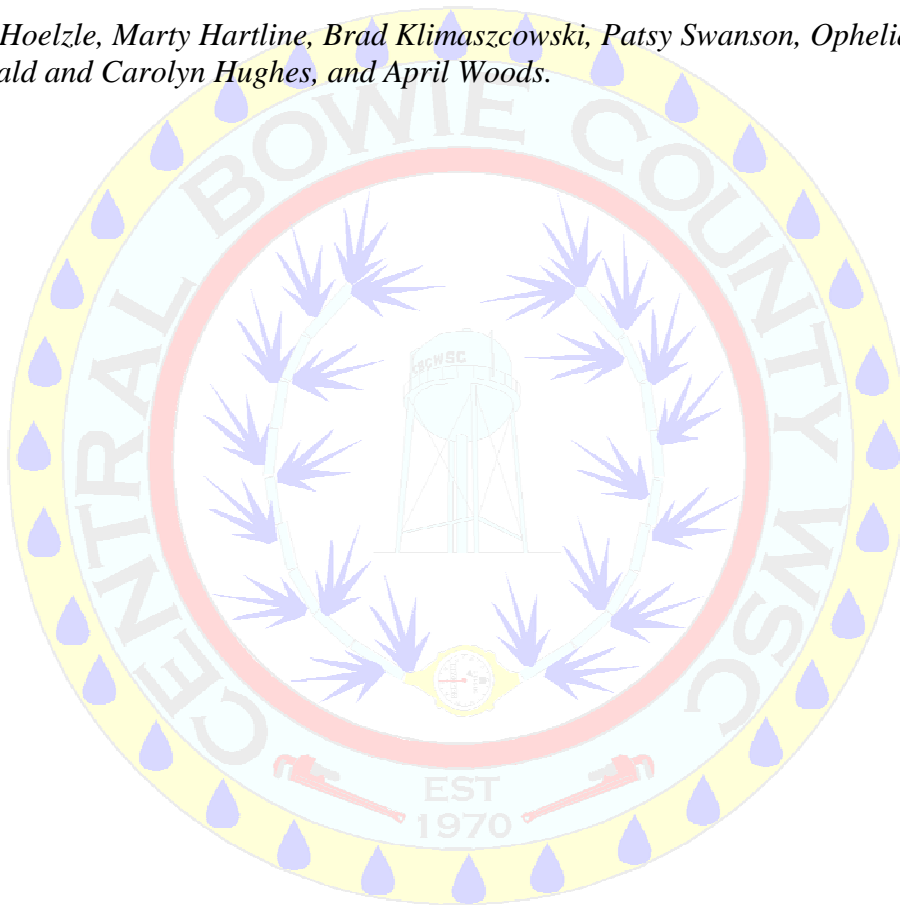
Meeting was adjourned at 11:30 pm.

Members Present:

Grady Epperson
Jack Braley
Calvin Pierce
Bob Knox
Gene Raney
Tom Coleman
Winfred Thompson

Hal Harris - Manager

Guests: Scott Hoelzle, Marty Hartline, Brad Klimaszewski, Patsy Swanson, Ophelia Walraven, Randy Blakeney, Gerald and Carolyn Hughes, and April Woods.



Minutes of Special Board Meeting
Central Bowie County WSC
August 8, 2005

Meeting called to order by Grady Epperson at 6:25 pm

Old Business:

Consider cost of new service and rate structure:

Motion to do away with dry tap effective October 1, 2005, was made, seconded, and carried.

Motion to change cost of standard service to \$3,700.00 was made, seconded, and carried. The cost breakdown is \$100.00 membership, \$135.00 parts, \$200.00 labor, \$65.00 administrative, and \$3,200 capital development.

Motion was made, seconded, and carried to grandfather applications completed before 8/2/05 as per Exhibit A, attached. These applicants will receive service when it is available at the cost in effect at the time of the application (standard service - \$400.00 and reset - \$225.00).

Motion was made seconded and carried to define reset as a meter that was a part of the study by the engineer and charge \$500.00 for a reset. (see Exhibit B)

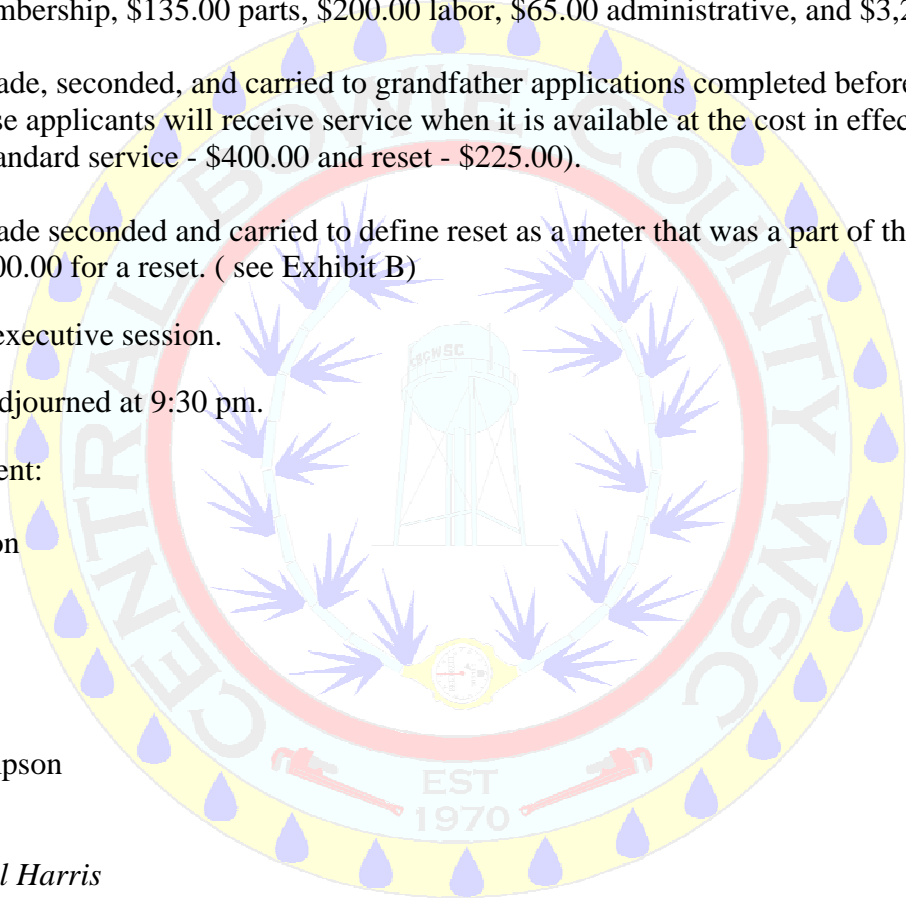
There was no executive session.

Meeting was adjourned at 9:30 pm.

Members Present:

Grady Epperson
Jack Braley
Calvin Pierce
Bob Knox
Gene Raney
Tom Coleman
Winfred Thompson
Bo Barron

Manager – Hal Harris



Minutes of Special Board Meeting August 8, 2005

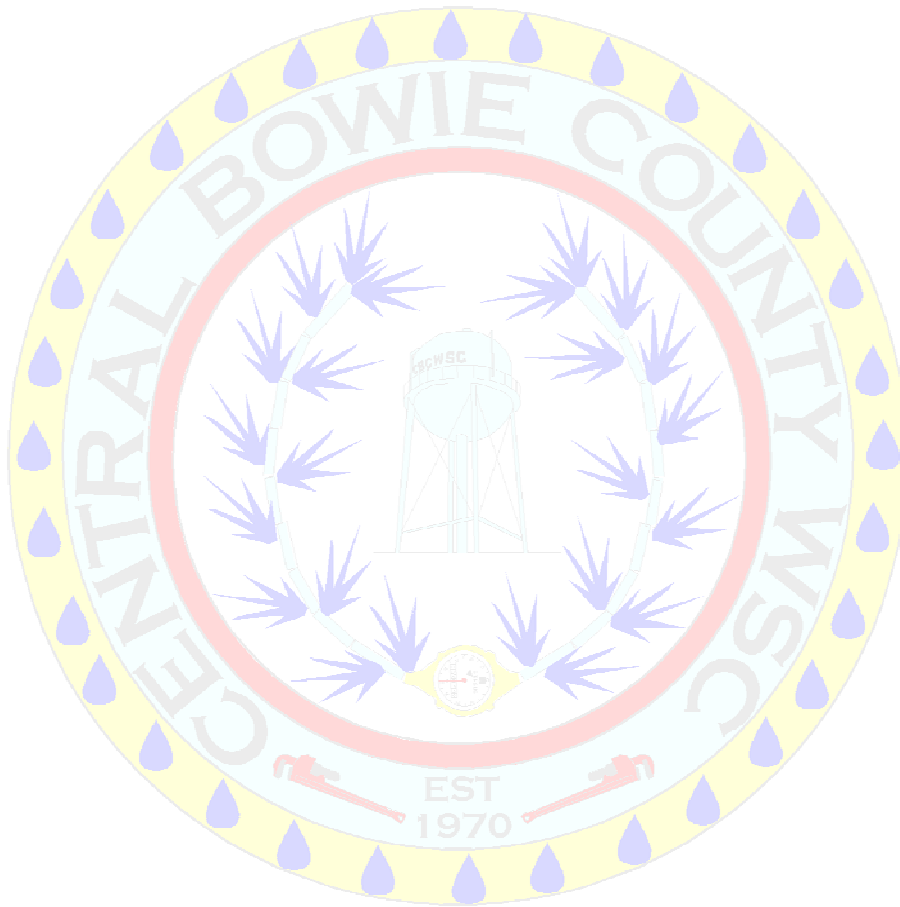
Exhibit A

Name	Location	Application Filed	
Tammy McCullough	561/44	7/11/2005	*****
Jack Telford	4246	8/8/2005 Verbal 7/19/05	*****
J.L. Foster	4007	6/24/2005	3/10/2006
Eric McGregor	3004	7/8/2005	9/12/2005
B.J. Lewis	3004	4/12/2005	9/22/2005
Vincent Simpson	4102	8/1/2005	5/28/2006
Donald Meadows	4204	6/8/2005	3/27/2006
William Horne	4241	7/27/2005	9/2/2005
Stan Elliot	1840	7/11/2005	8/17/2005
Kay McBride	3009	6/15/2005	9/28/2005
Rosie Conkleton	1101	6/14/2005	1/31/2006
Mike Huggins	4104	6/14/2005	8/30/2005
Jennifer Rainer	4129	6/20/2005	*****
Jeff Prough	4235	5/21/2005	9/9/2005
Cathy Minter	990	1/11/2005	3/1/2006
Kevin Wiskus	82W	4/20/2005	2/23/2006
David Willis	4003	4/5/2005	6/5/2006
Jessie Walker	4206	11/9/2005	N/A
Gary Holcomb	561	11/10/2004	*****
Randy Smith	4209	1/5/2005	*****
Beverly Thielen	990	2/22/2005	*****
Jody Daniels	98	Verbal 4/15/05 ??	11/9/2005
Clint Tucker	4244	8/5/05 Verbal 6/15/05	9/9/2005

Minutes of Special Board Meeting

August 8, 2005

Exhibit B



Minutes of Monthly Board Meeting
Central Bowie County WSC
September 6, 2005

Meeting called to order by Grady Epperson at 7:00 pm

The minutes of the August 2, 2005 monthly meeting were read and approved.

The minutes of the August 8, 2005 special meeting were read and approved as amended.

Public Discussion:

Donald McGee requested immediate service on CR 1109. Application is on hold pending improvements to Rock Creek area. Service remains on hold.

Jacky Burns requested service on US 259 at an existing but empty tap not counted in hydraulic study for less than \$3,700.00. Price remains fixed at \$3,700.00.

Secretary/Treasurer: Treasurer's report for August was approved.

General Manager's Discussion:

General Manager discussed unaccounted for water and operations/maintenance activities. UAW was 10.9 % for July.

Old Business:

CCN Amendment: Paul Miller, the City of Dekalb's attorney, provided comments on the draft agreement and noted some areas of concern. General Manager directed to arrange meeting with City of Dekalb. Legal description of CCN boundary, recording, and landowner notifications as mandated by recent legislation were discussed.

Mapping Project: General Manager reported that KSA Engineers are making progress on documents required in order to proceed with Capital Improvements.

Reassess Status of New Installations: Grace Anderson's service request was discussed and price remains fixed at \$3,700.00.

Resolution 090605 Tariff Amendment for cost of new service and dry taps: Motion made, seconded and carried to adopt resolution. 6 yeas, 2 abstained.

Senate Bill 286 and open meetings act: Requirements and applicability discussed. No action required.

Consider Tariff amendment/rate change: General Manager reported that from Jan 2000 thru May 2005 trending data shows a 20 cent drop in the difference between water sales divided by number of meters and water purchased divided by the number of meters. It was suggested that this topic be referred to a special meeting

New Business:

Budget Realignment: Short Term Capital Improvement Funds allocated in order to proceed with KSA items 2 and 11: Simms ET 6" pipe w/vlv at FM 98/US 67 and 10" pipe along 98 from CR 4011 to Anderson Creek. Estimated cost is \$215,000.00. Short Term Capital Improvement Funds not to exceed \$2,500.00 allocated to improve pressure in Rock Creek area by installing pressure sustaining valve.

Appoint new Director: Charles Roberts resignation was accepted. Harry Sanford was nominated by Calvin Pierce to fill vacated position. Mr. Sanford was elected by a majority vote.

Non-Agenda Items:

General Manager reported that \$1,900 of additional premium is due on workers' compensation insurance based on 2004 payroll audit.

There was no executive session.

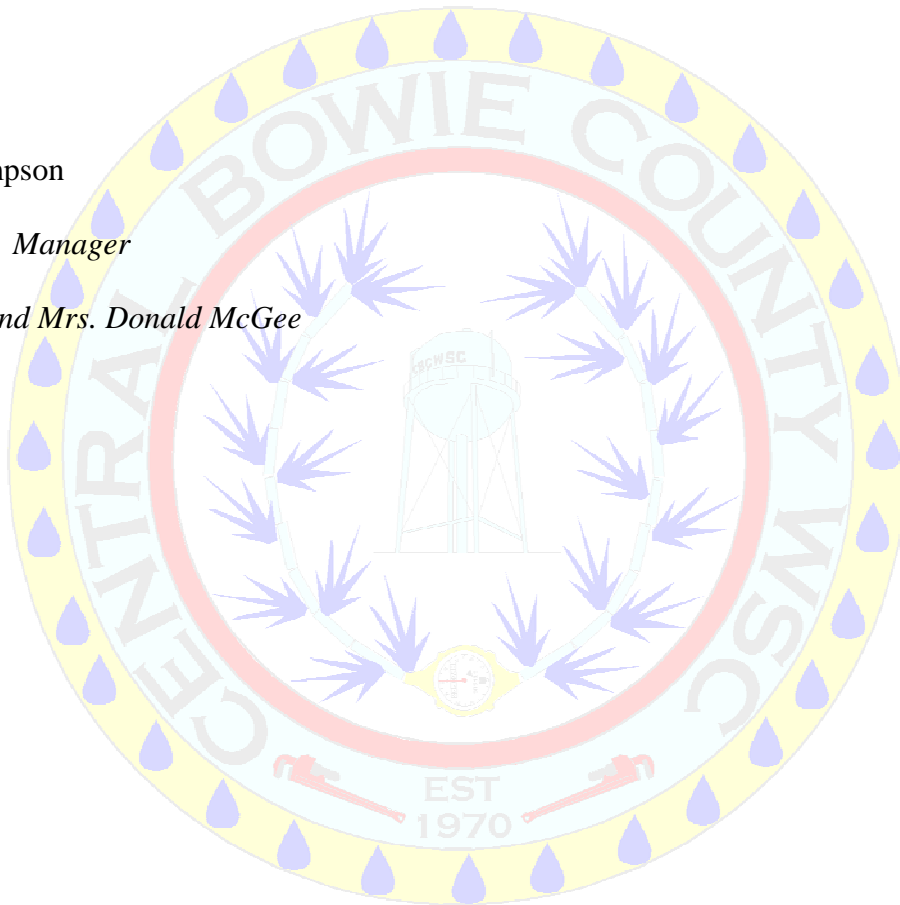
Meeting was adjourned at 10:30 pm.

Members Present:

Grady Epperson
Jack Braley
Calvin Pierce
Bob Knox
Gene Raney
Tom Coleman
Bo Barron
Winfred Thompson

Hal Harris - Manager

Guests: Mr. and Mrs. Donald McGee



Minutes of Monthly Board Meeting
Central Bowie County WSC
October 4, 2005

Meeting called to order by Grady Epperson at 7:00 pm

Public Discussion:

Sarah Hale asked why the cost for new service has increased. Midge Yount suggested that the cost of new service be phased in gradually. Pam Pilkenton wanted to know why a meter near her residence was recently installed at the old price and CBCWSC is applying new price to her. She also stated that she was told by a CBCWSC employee that we had the funding to make upgrades to the system. Glen Barfield suggested that CBCWSC get a loan to fund all capital improvements and that the minimum monthly charge for water be increased by \$18.00 to generate the required revenue to make the loan payment in lieu of the \$3,200.00 capital development fee. This approach would generate the required revenue without discouraging growth in the community.

CBCWSC stated that there are two phases of capital improvements as described in the engineering study which must be completed in order to achieve compliance with state regulations. The portion of capital improvements required to achieve compliance based on existing customers at the time of the engineer's study will be funded by the current ratepayers. A rate review is in progress and the target date for implementation of the new rates is January 1, 2005. CBCWSC remains committed to the idea that the burden of funding any future improvements required to accommodate growth which occurs between the time of the engineer's analysis and the future will be funded by the new connections necessitating the future improvements. The cost of new installations was increased as soon as cost estimates were made available by the engineer because any installations completed after the engineer's analysis are a part of the new connections necessitating improvements to accommodate growth. CBCWSC has directed the engineer to seek funding for all capital improvements, but no agency has committed funds at this time.

Earnest Pickle stated that every time he has been in the office the employees are rude. Also, he has been charged a \$2.00 late fee a number of times because CBCWSC claims to have not received payment in the office by 4 pm on the 10th, though it was mailed some days prior. He does not feel like he should have to pay the \$2.00 and disagrees with current procedures. CBCWSC stated that procedures will remain unchanged at this time.

Matthew Chadwick applied for water in March and was approved at \$400.00, but took no further action. He contacted the office after 8/2/05 to complete the application process and initiate service. At that time he was told he would have to pay \$3,700.00 and wait until line upgrades in that area were complete. This matter was referred to the General Manager for reevaluation and resolution.

Larry Matthews asked if General Manager can apply for grant, foregoing the engineer, in order to expedite the process and save money. CBCWSC stated that the public loan/grants that we are familiar with require an engineer's certification at some point in the process.

Reading of the Minutes: The minutes of the September 6, 2005 monthly meeting were read and approved.

Secretary/Treasurer: Treasurer's report for September was approved.

General Manager's Discussion:

General Manager discussed unaccounted for water and operations/maintenance activities. UAW was 4.48 % for July. Expressed concerns with SCADA system and personnel training.

Old Business:

CCN Amendment: Meeting with City of Dekalb has not occurred. A new map has been created. Our attorney advises that a meeting would be OK.

Mapping Project: General Manager reported that KSA Engineers are making progress on documents required in order to proceed with Capital Improvements. Overall costs will increase due to price of pipe and the modular approach that we are pursuing.

Reassess Status of New Installations: No changes or actions taken.

Consider Tariff amendment/rate change: There was much discussion. Special meeting scheduled for 10/10/05.

New Business:

Budget Realignment: No action taken.

Sanitary Survey: General Manager reported that TCEQ conducted a survey on 9/21/05. Formal results will be some time in coming. Inspector did note that the fences at 98 and Malta are too short, and that we need to collect 8 bacteriological samples instead of 7.

Appoint Budget Committee: The following were appointed: Chairman - Calvin Pierce, Bob Knox, Grady Epperson, Gene Raney, Tom Coleman, and Hal Harris

Non-Agenda Items:

Simms Youth Baseball requested rate relief in the form of discount for no useage during the winter. No discount was allowed, the \$20.00 minimum applies.

There was no executive session.

Meeting was adjourned at 11:30 pm.

Members Present:

Grady Epperson
Jack Braley
Calvin Pierce
Bob Knox
Gene Raney
Tom Coleman
Bo Barron
Winfred Thompson

Hal Harris - Manager

Guests: Martin and Midge Yount, Mario Garcia, Sarah and Bill Hale, Milton Boyes, Glen Barfield, Karen Burns, Grace Anderson, Pamela and Donald Pilkenton, Wanda and Joe Hamilton, Earnest Pickle, Matthew and Donna Chadwick, Melinda Pilkenton, Mickey Lee, Larry Montgomery, and Lee Farris

Minutes of Special Board Meeting
Central Bowie County WSC
October 10, 2005

Meeting called to order by Grady Epperson at 7:05 pm

Old Business:

Mapping Project: A motion was made by Tom Coleman to remove Simms project changing 4" line to 10" line (KSA Items 4 and 11) from Rural Development submittal and have KSA Engineers deliver draft documents (design drawings and contract documents) to allow CBCWSC to solicit bids and oversee project to completion. Seconded by Jack Braley. Motion carried: 6 yeas 1 abstained.

Reassess Status of New Installations: No changes or actions taken.

Consider Tariff amendment/rate change: There was much discussion. No action taken.

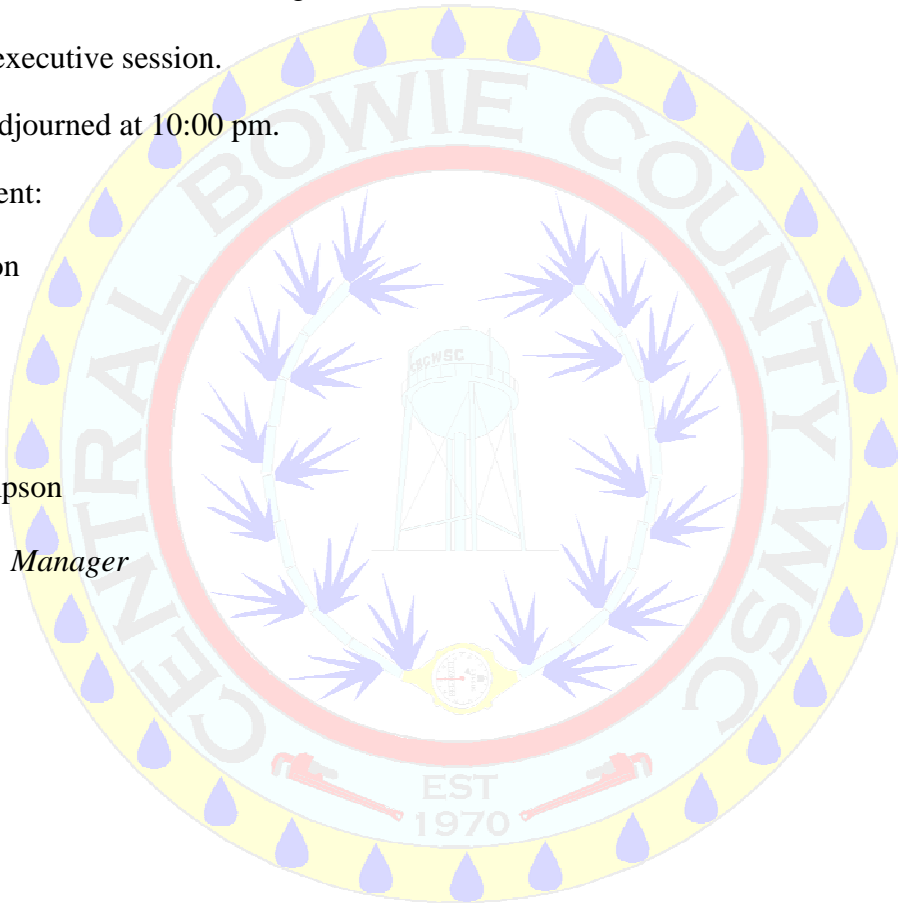
There was no executive session.

Meeting was adjourned at 10:00 pm.

Members Present:

Grady Epperson
Jack Braley
Calvin Pierce
Bob Knox
Gene Raney
Tom Coleman
Winfred Thompson

Hal Harris - Manager



Minutes of Monthly Board Meeting
Central Bowie County WSC
November 1, 2005

Meeting called to order by Grady Epperson at 7:00 pm

The minutes of the October 4, 2005 monthly meeting were read and approved.
The minutes of the October 10, 2005 special meeting were read and approved.

Public Discussion: There was no public discussion.

Secretary/Treasurer: Treasurer's report for October was approved.

General Manager's Discussion:

General Manager discussed unaccounted for water, delinquent accounts, customer complaints, and operations/maintenance activities. UAW was 9.58 % for September.

Old Business:

CCN Amendment: No change.

Mapping Project: Scott Hoelzle of KSA Engineers discussed funding options. Local banks are quicker but carry higher interest rates. It takes at least 6-9 months to get a loan from TWDB and requires some governmental red tape. Terms are 5.25%, 30-40 yrs. No grant money is available. The USDA loan/grant program is typically for larger projects. USDA projects take longer to get approved, at least 18 months. Terms are 4.25%, 2 - 40 years. Engineer needs CBCWSC to identify what to include in projects under which type of loan. Board conceded that the funding split should be \$1,940,000.00 from TWDB to fund immediate requirements and \$4,520,400.00 from USDA to fund the remainder. Engineer was directed to seek funding for projects as split.

Reassess Status of New Installations: No action.

Consider Tariff amendment/rate change: Motion was made by Bob Knox and seconded by Harry Sanford to adopt Resolution 110105a amending the Tariff by changing the current \$3,200 Capital Impact Fee to \$2,032.50. Motion carried unanimously. Motion was made and seconded to adopt Resolution 110105b amending Tariff by increasing the monthly minimum from \$20.00 to \$25.00 and adjusting the gallonage charge from \$4.00 per thousand gallons to \$4.00 per thousand gallons from 2,001 to 20,000 gallons and \$5.00 per thousand gallons for all over 20,000 gallons. Motion was made, seconded and carried to amend resolution by changing \$4.00 to \$5.00 and \$5.00 to \$6.00. Resolution, as amended, was adopted, 8 for and 1 against. Motion was made, seconded, and carried to adopt amended Resolution 110105c updating the Tariff by changing the one time leak discount rate from \$1.28 per thousand gallons for all over 23,000 gallons to \$1.50 per thousand for all over the member's prior 12 month average.

Budget Committee Report: Calvin Pierce reported that the 2006 budget is already substantially complete and will be ready for board approval at the December meeting.

New Business:

Budget Realignment:

General Manager reported that Caney Creek waterline crossing west of Rock Creek pumpstation must be rebuilt. CBCWSC must fund it and it will be expensive. No action was taken.

Non-Agenda Items: None

There was no executive session.

Meeting was adjourned at 11:15 pm.

Members Present:

Grady Epperson
Jack Braley
Calvin Pierce
Harry Sanford
Bob Knox
Gene Raney
Tom Coleman
Bo Barron
Winfred Thompson

Hal Harris - Manager

Guests: Scott Hoelzle and Lanny Buck



Minutes of Monthly Board Meeting
Central Bowie County WSC
December 13, 2005

Meeting called to order by Grady Epperson at 7:02 pm

The minutes of the November 1, 2005 monthly meeting were read and approved as amended.

Public Discussion: General Manager spoke on behalf of John Blackburn who was not present. Mr. Blackburn wants a meter for \$400.00. He installed over 2,000 feet of 2" line at his own expense some years ago and wants some type of credit in the form of a discount. No credit will given. No change in policy. All new memberships/meters must pay the full cost of standard service including Capital Development Fee.

Secretary/Treasurer: Treasurer's report for November was approved.

General Manager's Discussion:

General Manager discussed unaccounted for water, delinquent accounts, customer complaints, and operations/maintenance activities. UAW was 10.42 % for October. Year to Date through October ratio of Sold Water/Purchased Water was 86%.

Old Business:

CCN Amendment: No change.

Mapping Project: This category was separated and renamed into 4 separate categories: 1. Original Mapping Project, 2. Simms/98 Project, 3. Phase Ia Capital Improvements and TWDB Financing, 4. PhaseIb/II Rural Development. A final report is due from the original Mapping Project. General Manager reported that TWDB was generally favorable towards providing funding for Phase Ia . Some issues that must be addressed include our purchase contract with TWU and our CCN. A contract for engineering services with KSA relating to Phasela was presented by the General Manager. There was much discussion. General Manager directed to have representative from KSA present at next the meeting where the matter will be readdressed. Resolution 121305a – Seeking TWDB funding was tabled. Affidavit relating to Resolution 121305a was deemed not applicable at this time. There was no new information or discussion relating to Phase Ib/II Rural Development.

Reassess Status of New Installations: No action.

Budget Committee Report – Adopt 2006 Budget: Mr. Thompson made a motion to adopt the 2006 Budget as presented by the Budget Committee. Mr. Braley seconded the motion. Motion carried unanimously.

Sanitary Survey Results: General Manager reported two violations. Level at 990 Standpipe was inoperable and fences at Malta Elevated Tank and 98 Pumpstation are too short. Control Concepts to fix level indicator. Motion was made by Mr. Sanford to fund, solicit bids, and contract for fence improvements as required. Motion was seconded by Mr. Coleman. Motion carried unanimously. Additional issues identified in the report included: Inadequate elevated storage, inadequate quantity of water in purchase water contact, degraded ownerships signs, and adjacent or overhanging limbs at 3378, Malta, 990 and Simms.

New Business:

Budget Realignment: General Manager reported that Caney Creek waterline crossing west of Rock Creek pumpstation was re-built. The contractor, Howard and Sons, was billed for \$11,000.00. General Manager directed to send copy of bill to TXDOT. Mr. Epperson to discuss situation with Judge Carlow. No adjustments were made.

No action was taken.

Consider Resolution 121305b amending tariff to grant Capital development Fee credit for extensions, etc.: Resolution was presented. There was some discussion. No action taken.

Non-Agenda Items: The Jan 3, 2006 meeting was rescheduled for Jan 10, 2006. General manager provided information about SCADA system. System will require an expensive update in the future.

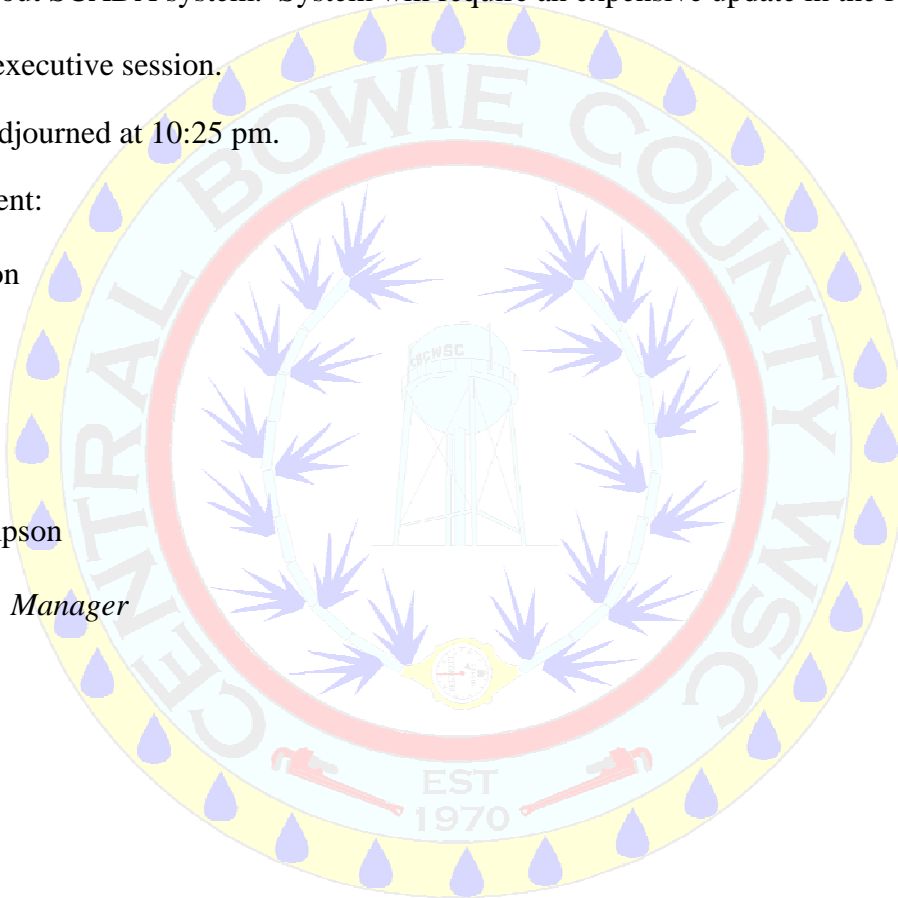
There was no executive session.

Meeting was adjourned at 10:25 pm.

Members Present:

Grady Epperson
Jack Braley
Calvin Pierce
Harry Sanford
Bob Knox
Gene Raney
Tom Coleman
Winfred Thompson

Hal Harris - Manager



Minutes of Annual Meeting
Central Bowie County WSC
March 17, 2005

Meeting called to order at 7:00 pm

Invocation was given by Calvin Pierce.

Thirty-seven (37) members, including 7 board members, were present. Two hundred, fifty-nine (259) proxies were executed. Therefore a quorum was present.

The minutes of the March 18, 2004 annual meeting were read and approved.

Motion was made by Roy Meadows to approve minutes. Motion was seconded by Winfred Thompson. The motion carried.

General Manager discussed 2004 income and expenses, 2005 budget, and capital improvements.

The nominating committee presented the following nominees for Directors: Grady Epperson, Bob Knox, and Gene Raney. There were no nominations from the floor. Motion was made by Dan Shelton to cease nominations and nominees be appointed by acclamation. Motion was seconded. Motion carried.

During general discussion the following topics were addressed: taste of water, fire hydrants, and the effects of line breaks/repairs on water pressure.

Door prizes were awarded. \$100.00 gift certificate went to Mildred Kruse. \$50.00 gift certificate went to Bo Barron.

Meeting was adjourned at 7:45 pm.

