

Minutes of Regular Meeting  
Northeast Texas Municipal Water District  
Board of Directors  
July 26, 2010 –10:00 A. M.

The Board of Directors of the Northeast Texas Municipal Water District met in an open meeting on Monday, July 26 at 10:00 A.M. The meeting was held at Northeast Texas Municipal Water District's Executive Office located at 4180 Farm Road 250, Hughes Springs, Texas 75656. Notice of the meeting was legally posted.

Present:        Jack Salmon, Jr.        - President, Avinger  
                  Stan Wyatt                - Daingerfield  
                  Carol H. Leftwich        - Hughes Springs  
                  William W. Brown        - Jefferson  
                  Uvalde Stoermer        - Lone Star  
                  Joseph W. Weir, III     - Ore City  
                  Patrick Smith            - Pittsburg

Staff:            Walt Sears, Jr.  
                  Pete Wright  
                  Lou Richards  
                  Christal Skinner

Others:          Joncie Young            - KSA Engineers

President Jack Salmon, Jr. called the meeting to order and welcomed everyone to the meeting. President Salmon recognized the guests in attendance. Invocation was given by Stan Wyatt.

William W. Brown made a motion to approve the minutes of the June 24 and June 28, 2010 meetings. Uvalde Stoermer seconded the motion. Motion carried, all voting aye.

Stan Wyatt made a motion to approve the financial reports, investment report on all current accounts and funds and invoices for professional services. Joseph W. Weir, III seconded the motion. Motion carried, all voting aye. Mr. Sears informed the Board that the Southside Committee tabled the KSA Engineers invoice totaling \$1,595.00. Mr. Sears also gave the Board a Summary of the Bond Sales showing a net gain of \$38,827.19, after the culmination of the refunding of the Series 2000 Bonds.

Walt Sears gave the Southside report. Mr. Sears informed the Board that the Southside Committee approved the reconciliation for the month of June 2010 and the two previous quarterly adjustments due to the meter error for the City of Avinger. Pete Wright told the Board that annual physical drawdowns would occur to monitor usage and hopefully avoid meter errors. Mr. Sears told the Board that the Southside Committee indicated support for the purchase of a new truck for field operations.

On motion by Patrick Smith and a second by Stan Wyatt, the annual dues of \$385.00 for ARCIT membership were approved. Motion carried, all voting aye.

Patrick Smith made a motion to approve the joint funding agreement between the USGS and NETMWD for surface water collection activities. Joseph Weir seconded the motion. Motion carried, all voting aye.

Stan Wyatt made a motion to approve the annual membership dues in the amount of \$855.00 to TWCA. Patrick Smith seconded the motion. Motion carried, all voting aye. Carol H. Leftwich made a motion to deny TWCA's request for a contribution to a Special Fund for Texas Surface Water Quality Standards (TSWQS). Stan Wyatt seconded the motion. Motion carried, with 5 Directors voting for and Patrick Smith and William W. Brown voting against.

Joseph Weir made a motion to amend the District Personnel Policy Manual for defining "Regular" full time employees and pay periods for employees. William Brown seconded the motion. Motion carried, all voting aye.

Patrick Smith made a motion to delete Account # 8071, City Fire Hydrant Reimbursement, from the draft budget. Mr. Sears told the Board that there were no dollars in the draft budget for the reimbursement to member cities due to the tight budget. Stan Wyatt and Jack Salmon expressed the need for the Directors to stay open minded for the cities' sake. After much discussion, Carol H. Leftwich seconded the motion. Motion did not carry with 3 Board members voting yes and Jack Salmon, Joseph Weir, William Brown and Uvalde Stoermer voting against the motion.

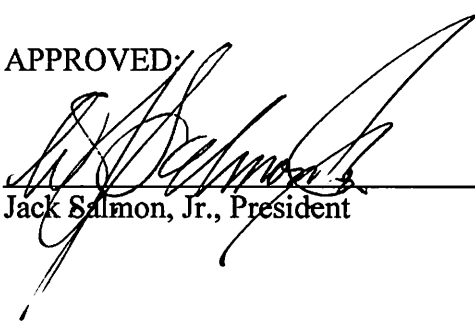
The following items were addressed during the General Managers' report given by Walt Sears: membership of legislative committees of the Texas Senate, the recent meeting with David Simpson, the TRWA Fall meeting and the 2011 Regional Water Plan submittal to the Texas Water Development Board by September 1, 2010.

Pete Wright gave the Operations Report. Mr. Wright told the Board that installation of additional valves was needed on the Hughes Springs lines to allow the isolation of lines in the event of a line break. Mr. Wright informed the Board that the approximate cost would be \$12,000. Carol Leftwich made a motion to install the isolation valves. William Brown seconded the motion. Motion carried, all voting aye. Mr. Wright discussed Diana #4's completion of repair caused by the lightning damage. Mr. Wright sought guidance from the Board for the purchase of a new truck for field operations in this year's budget cycle. Mr. Wright told the committee that several RWSS current fiscal year accounts were under budget and the budget could tolerate the truck expense in this current budget cycle better than next year's budget. Stan Wyatt made a motion for Mr. Wright to solicit bids for a 4 wheel drive, heavy duty truck at an approximate cost of \$40,000. William Brown seconded the motion. Motion carried, all voting aye.

William Brown made a motion to set the next regular meeting date for August 23, 2010. Carol Leftwich seconded the motion. Motion carried, all voting aye.

William Brown made a motion to adjourn. Carol Leftwich seconded the motion. Motion carried, all voting aye.

APPROVED:

  
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Jack Salmon, Jr., President

ATTEST.

  
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Patrick Smith, Secretary/Treasurer