

**Regular meeting
October 23rd, 2007**

**APPROVED MINUTES OF REGULAR MEETING OF
THE BOARD OF DIRECTORS
OF
EL PASO WATER COMPANY, INC.**

October 23rd, 2007

The regular meeting of the Board of Directors of El Paso Water Company, Inc. convened in the City Council Chamber, 611 Mulberry, Derby, Kansas at 9:50 p.m. during a recess of the City Council meeting.

The following Directors were present and constituted a quorum:

Dion Avello
Cheryl Bannon
Chuck Warren
Jim Craig
George Arnold
Jim Meidinger
Vaughn Nun
Charlie Schwarz

Others in attendance:

Kathy Sexton, Chief Executive Officer
Phil Alexander, Vice President
Jean Epperson, Secretary-Treasurer

Mr. Avello called the meeting to order.

APPROVAL OF MINUTES

MOTION: Warren moved to approve the minutes of the September 25th, 2007 regular board meeting. Bannon seconded.

VOTE: Craig yea, Arnold yea, Warren yea, Nun abstain, Bannon yea, Meidinger yea, Avello yea, Schwarz abstain, Staats absent, 6 yea, 0 nay, 2 abstentions, 1 absent, motion carried.

DECLARATION OF DIVIDEND

Kathy Sexton, Chief Executive Officer explained there will be no declaration of dividend this month because the last few days of the billing month occurred over the weekend so all of the payments that came in over the last few days were logged into the October books and this would have been a September dividend. That, in addition to some bills that were paid in September made it to where we did not have a dividend.

REPORT ON EI PASO WATER COMPANY PERSONNEL MANUAL

Kathy Sexton, Chief Executive Officer presented the staff report.

MOTION: Arnold moved to adopt the Personnel Policy Manual substantially in the form presented. Warren seconded.

VOTE: Craig yea, Arnold yea, Warren yea, Nun yea, Bannon yea, Meidinger yea, Avello yea, Schwarz yea, Staats absent, 8 yea, 0 nay, 1 absent, motion carried.

ADJOURNMENT

MOTION: Warren moved to adjourn at 9:58 p.m. Schwarz seconded.

VOTE: Craig yea, Arnold yea, Warren yea, Nun yea, Bannon yea, Meidinger yea, Avello yea, Schwarz yea, Staats absent, 8 yea, 0 nay, 1 absent, motion carried.

Jean Epperson, Secretary