

**Chisholm Trail Special Utility District
Of Williamson, Bell, and Burnet Counties, Texas**

**Minutes of Meeting of the Board of Directors
November 18, 2010**

The Board of Directors of Chisholm Trail Special Utility District of Williamson, Bell, and Burnet Counties, Texas convened in a meeting at the administrative office of Chisholm Trail Special Utility District located at 851 FM 970, Florence, Williamson County, Texas beginning at 5:30 p.m. on the 18th day of November, 2010. Notices of the time, place, and subject of the meeting were posted at the places and for the time required by law.

Meeting was called to order at 5:30 p.m.

Mary Wilson led those present in the Pledge of Allegiance to the American flag.

Jennifer McKnight called role:

Mary Wilson	President
Marcus Canipe	Vice-President
Gordon Eurom	Secretary
Cash Mullen	Treasurer
Mike Giguere	Director
Bob Johnson	Director
Gary Goodman	Director

Seven Board members were present, thus constituting a quorum. Also present was Jennifer McKnight, Tony Corbett, and those listed on the attached sign-in sheet.

Public Comment

None

Customer Requests

- A. Discussion and possible action regarding request by customer at 225 Landon's Way, Account No. 37-1572-03, for a second leak adjustment in a one year period.

Gordon Eurom moved to approve a second leak adjustment to the customer's account as it appears there was a single leak over two billing cycles. Cash Mullen seconded the motion, which the Board approved unanimously.

- B. Discussion and possible action regarding request by customer at 293 Drystone Trail, Account No. 77-4433-01, to waive usage charges on high consumption billings.

Gordon Eurom moved to provide the customer with a leak adjustment, to have CTSUD field staff check the customer's sprinkler system settings and PRV, and to offer the customer a payment arrangement. Cash Mullen seconded the motion, which the Board approved unanimously.

- C. Discussion and possible action regarding filing insurance claim related to alleged road damage caused by water line leak at 3240 W. SH 29, Account No. 73-5324-00.

Mr. Clikeman stated that a water line break on September 24, 2010 damaged his road that he had recently repaired. He stated that he is willing to do the road repair if CTSUD would agree to pay \$250 for the repair materials and \$250 for equipment rental. **Bob Johnson moved to approve reimbursement, not to exceed \$500, for repairs to the customer's driveway upon presentation of an invoice by the customer. Marcus Canipe seconded the motion, which the Board approved unanimously.**

- D. Discussion and possible action regarding request by customer at 102 Carriage Oaks Drive, Account No. 22-1054-00, to waive collection fee for non-payment of bill during October 2010.

Marcus Canipe moved to deny the customer's request to waive the collection fee for non-payment of bill during October 2010. Mary Wilson seconded the motion, which the Board approved unanimously.

Consent Agenda

- A. Approval of Minutes from October 21, 2010 Board of Directors Meeting.
B. Approval of Check Register, Payment of Bills, and Invoices for October 2010.
C. Approve bid for WaterCad purchase from sole source provider Bentley in the amount of \$9,995.00.

Cash Mullen moved to approve Consent Agenda items A, B, and C. Bob Johnson seconded the motion, which the Board approved unanimously.

- D. Approve sale of surplus items including meters, scrap metal, two trucks, and one backhoe.

Mary Wilson requested that the District keep the Ford F-150 and have it repaired to use as an office vehicle and back-up for field vehicles. **Marcus Canipe moved to declare items surplus and to approve sale of the surplus items including meters, scrap metal, Lo Pro truck, and one backhoe. Mary Wilson seconded the motion, which the Board approved (All FOR except Gordon Eurom, Cash Mullen and Gary Goodman AGAINST).**

General Manager's Report

Ms. McKnight presented the Manager's Report including the following information:

- A. Operational Status Report & Water Loss Report
B. Monthly Financial Reports
C. Monthly Customer Service Report
D. Project Status Reports

Action Items

- A. Discussion and possible action to approve Inter-Local Agreement with Burnet County to participate in regional water study by providing in-kind services.

Gordon Eurom moved to approve the Inter-Local Agreement with Burnet County. Cash Mullen seconded the motion, which the Board approved unanimously.

B. Discussion and possible action to approve Inter-Local Agreement with the Texas Department of Public Safety.

Tony Corbett, legal counsel, explained the proposed ILA to the Board. Ms. McKnight stated that no comments have been received from the Texas Department of Public Safety. **This item was tabled and no action taken.**

C. Discussion and possible action to approve engineering agreement with Halff Associates, Inc. for design of water line improvements on SH 195 to serve Texas Department of Public Safety (DPS) subject to execution of Inter-Local Agreement by DPS. This item was tabled and no action taken.

D. Discussion and possible action to approve engineering agreement with Halff Associates, Inc. for design of water line upgrade on CR 228.

Bob Johnson moved to approve an engineering agreement with Halff Associates, Inc. for design of water line upgrade on CR 228. Cash Mullen seconded the motion, which the Board approved unanimously.

E. Discussion and possible action to approve Inter-Local Agreement with Williamson County regarding water line relocation and encasement as part of Williamson County's Ronald Reagan Phase III Road Project.

The Board directed legal counsel to revise the ILA regarding Road Conflicts to be more like the Memorandum of Understanding provided by the County. They requested that he leave a general statement in the ILA that would include any District water line paved over by the County without encasement.

F. Discussion and possible action to approve Wastewater Operations Agreement with the Brazos River Authority. This item was tabled and no action taken.

G. Discussion and possible action to approve a Non-Standard Service Agreement extension with the developer of Highland Meadows Subdivision (Rosenbusch Tract).

Gordon Eurom moved to approve a five year extension to the Non-Standard Service Agreement with the developer of Highland Meadows Subdivision (Rosenbusch Tract). Bob Johnson seconded the motion, which the Board approved unanimously.

H. Discussion and possible action regarding authorized signatures for public funds intra-bank and inter-bank transfers.

Jennifer McKnight presented the procedures used for inter-bank and intra-bank transfers of District funds. A review of current inter-bank and intra-bank procedures was discussed and it was noted that all signers at Prosperity Bank could make transfers, however, Cash Mullen, the Investment Officer/Treasurer could make a transfer without an additional signer via an e-mail to

the bank. Mr. Mullen recommended that he add an additional signer as a security/control measure. The board agreed. In reviewing the District's inter-bank activity with Prosperity Bank, it was discussed that the District had only investment accounts at that bank and did not require on line banking with it.

With concurrence from legal counsel, the Board discussed changing the online procedure at Prosperity Bank. The President and the Treasurer will work with staff to develop a procedure for managing transfers from that bank.

In connection with the discussion of banking procedures, the Board discussed recent activity of deposits and withdrawals on District accounts at Prosperity bank. The Board concurred that the District should receive immediate electronic confirmation of all account activity. **This item was tabled and no action taken.**

I. Discussion and possible action to approve Administrative Policy A-05, Fraud Detection and Reporting.

Cash Mullen moved to approve Administrative Policy A-05, Fraud Detection and Reporting, with requested changes by the Board. Mike Giguere seconded the motion, which the Board approved unanimously.

J. Discussion and possible action to approve District Personnel Policy Handbook.

The Board requested the General Manager to amend the current policies regarding overtime and grievances and present to the Board next month. **Marcus Canipe moved to retain the current Personnel Policy Handbook developed by the Board, and if in the future there are any changes deemed necessary, each change will be made on an individual basis. Mike Giguere seconded the motion, which the Board approved unanimously.**

K. Discussion and possible action to appoint Board Committee to select Finance Manager.

The Personnel Committee Chair asked that the Finance Committee Chair and the Board President serve on the committee with him. This was agreed through discussion without a formal motion. Ms. Wilson stated the General Manager will conduct initial interviews and select one or two of the best candidates. These candidates will be interviewed by the General Manager and the committee and the General Manager will extend an offer to the finalist.

L. Discussion and possible action regarding amendments to the District Rules Governing Water and Wastewater Service including:

- a. Section 9 to adopt new water tap fee and delete water connection fee.

Bob Johnson moved to approve the proposed fee for water taps and to eliminate the water connection fee. Mike Giguere seconded the motion, which the Board approved (All FOR except Gary Goodman ABSTAINED).

- b. Section 3.6 to revise theft of service fee and add fee for cutting off a lock from a meter.

Gordon Eurom moved to approve the amended fees and review them again in one year. Cash Mullen seconded the motion, which the Board approved (All FOR except Mike Giguere AGAINST).

M. Discussion and possible action regarding district water model. **No action taken.**

N. Discussion and possible action regarding agreement to purchase land for South Lake Georgetown Water Treatment Plant and associated easements. **No action taken.**

O. Discussion and possible action items from Board Committee Reports

No reports were provided.

IX. Executive Session

No Executive Session was held.

X. Possible action regarding items discussed in Executive Session.

XI. Adjournment

The meeting adjourned at 10:15 p.m. on a motion by Gordon Eurom and seconded by Cash Mullen, which the Board approved unanimously.



Gordon Eurom, Secretary