

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

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

The Board of Directors of Chisholm Trail Special Utility District of Williamson, Bell, and Burnet Counties, Texas convened in a regularly scheduled 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 February, 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.

Gordon Eurom led those present in the Pledge of Allegiance to the American flag.

Jennifer McKnight called role:

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

Six Board members were present, with Mike Giguere absent, thus constituting a quorum. Also present were Jennifer McKnight, Tony Corbett, Craig Casper, Harry Randall and those listed on the attached sign-in sheet.

Public Comment

Derrick Scott, a resident of Gabriel's Overlook, stated he takes issue with the District's policy for assessing late fees. Mr. Scott stated that the District should consider the postmark date to determine timeliness of bill payments as he feels the District is using late fees as an additional source of revenue. Mr. Scott stated he feels the District's policy for service disconnection needs to be revised to allow additional time for payments to be received. Steve Wyman, a resident on Landen's Way, stated he has the same concern as Mr. Scott regarding late fees. Mr. Wyman stated he believes the District is using late penalties as a source of additional revenue and the Board needs to readdress the policies for late fee assessment. **Gordon Eurom requested that the General Manager place an item on the March agenda to consider the District's policy for billing and assessing late fees.**

Consent Agenda

- A. Approval of Minutes from January 21, 2010 and February 6, 2010 Board Meetings
- B. Approval of Invoices and Payment of Bills for January 2010

C. Approval of Quarterly Investment Report for the fourth quarter of 2009

D. Approval of closing the following bank accounts:

Union State Bank

Acct No: 17000513

Acct No: 15009270

Acct No: 15000206

Acct No: 15016293

Acct No: 15003175

1999 A & B Bond Fund Reserve

Customer Water Deposits

Retirement Plan Trust

Water Impact Fees

O & M Account

Wachovia Bank

Acct No: 2000019282532

CIP Disbursement Account

Mary Wilson moved to approve the consent agenda, with revisions to the January 21, 2010 and February 6, 2010 minutes. Cash Mullen seconded the motion, which the Board approved unanimously.

General Manager's Report

A. Operational Status Report & Water Loss Report

Ms. McKnight provided the Board with an update on District activities related to water loss and meters. Ms. McKnight stated that staff had met with representatives of Itron and discussed the problems the District is encountering. She stated staff reviewed the number of 50W ERTs still in the system and it appears there are still over 2000. She stated Itron believes this is causing most of the problems and they are currently working with staff in the field to locate possible issues. Ms. McKnight stated that she will provide additional updates to the Board in the future.

B. Monthly Financial Reports

C. Monthly Customer Service Report

D. Project Status Report

Action Items

A. Customer Request to Waive Usage Charges for Account No. 38-4349-00

Marcus Canipe moved to send the customer's meter out for testing at the District's expense; if meter tests accurately then the fees as assessed by General Manager will stand; if meter does not test accurately then the issue shall be placed on the March agenda for further consideration. Mary Wilson seconded the motion, which the Board approved unanimously.

- B. Resident Reimbursement Request for Septic Tank Inspection at 213 LaMesa Lane
Tony Corbett, District Legal Council, informed the Board that the District has sovereign immunity as a governmental entity. He stated he does not recommend granting reimbursement as it could be harmful if future action is taken as it may imply responsibility. **Mary Wilson moved to approve a one-time reimbursement to the resident in the amount of \$75, and to approve the General Manager to engage an engineer to determine options for resolution to tank overflow drainage issues. Gordon Eurom seconded the motion, which the Board approved with all For, except Canipe Against.**
- C. Subdivision Approval
Gordon Eurom moved to delegate subdivision final approval to the District's General Manager. Marcus Canipe seconded the motion, which the Board approved unanimously.
- D. Subdivision Maintenance Bonds
Gordon Eurom moved to set the required maintenance bond for new subdivisions at 25% the value of water and/or wastewater infrastructure improvements. Marcus Canipe seconded the motion, which the Board approved with all For, except Johnson Abstained.
- E. Substantial Completion of Ronald Reagan Phase I Waterline Project
Gordon Eurom moved to approve Substantial Completion of Ronald Reagan Phase I Waterline Project and to release retainage to McLean Construction Company. Bob Johnson seconded the motion, which the Board approved unanimously.
- F. PRV for 15" Waterline
Gordon Eurom moved to approve locating a Pressure Reducing Valve (PRV) on County Road 258, as shown on Exhibit A4 in the Board packet. Bob Johnson seconded the motion, which the Board approved unanimously.
- G. District Standards and Specifications
Gordon Eurom moved to approve District Standards and Specifications as submitted by the Wallace Group. Bob Johnson seconded the motion, which the Board approved unanimously.
- H. North Lake Georgetown Water Treatment Plant Pump Station Study and Master Plan
Gordon Eurom moved to approve the North Lake Georgetown Water Treatment Plant Pump Station Study and Master Plan as submitted by the Wallace Group. Gary Goodman seconded the motion, which the Board approved unanimously.
- I. Half Associates Proposal for Design of Waterline Relocation on CR 245
Item I tabled by Board President. **No action taken.**
- J. Election Matters
Bob Johnson moved to approve an Order calling the May 8, 2010 General Election, Notice of Appointment of Agent, Joint Election Agreement with Williamson County, and continuance of existing Contract for Election Services with Williamson County. Gary Goodman seconded the motion, which the Board approved unanimously.

K. Employee Health Insurance

Mary Wilson moved to approve renewing District employee health insurance plan and considering increased contributions by employees at a future date. Gordon Eurom seconded the motion, which the Board approved unanimously.

L. Presentation Regarding New District Personnel Policy Handbook

Jennifer McKnight presented an overview of a newly developed employee Personnel Policy Handbook. Marcus Canipe requested that all Board members submit their comments regarding the proposed handbook to all members of the Personnel Committee by March 5, 2010. He stated that he will then contact Ms. McKnight to arrange a Board workshop to finalize the handbook. **No action taken.**

Executive Session

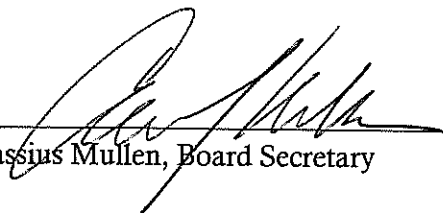
At 9:20 p.m., Gordon Eurom announced the Board of Directors would enter into Executive Session pursuant to Subchapter D, Chapter 551.074, of the Texas Open Meetings Act, to discuss the following:

M. Six Month Evaluation of District General Manager

At 10:29 p.m., President Eurom announced the Board was out of Executive Session and that no final actions, decision, or votes were taken on any subject or matter while in Executive Session.

Adjournment

The meeting adjourned at 10:30 p.m. on a motion made by Cash Mullen, seconded by Mary Wilson, and approved unanimously.



Cassius Mullen, Board Secretary