

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

Minutes of Meeting of the Board of Directors
June 17, 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 17th day of June, 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

Four Board members were present, with Gordon Eurom, Mike Giguere, and Gary Goodman absent, thus constituting a quorum. Also present were Jennifer McKnight, Tony Corbett, Harry Randall and those listed on the attached sign-in sheet.

Public Comment

Ms. Christie Daniel stated she lives on CR 244 and has encountered many problems with her water service over the past years. She stated that each time the District has a water line break she has no water service. Ms. Daniel stated the water system needs to be upgraded and looped so there will be fewer maintenance issues and so she will not be without service during every water line break. Ms. Trisha Fox stated she too lives on CR 244 and stated she is encountering the same problem as Ms. Daniel. She stated that she was once on a well but paid all the District's fees to have better water service. She stated that because the system needs upgrades, she still does not have good water service. Ms. Fox stated that having to endure hours without water service is causing a great inconvenience for her and her family. Mr. Jeff Daniels stated that all of the people seated around him live on CR 244 and have all encountered many problems with the water system. He stated that he does not understand why many miles of main have to be shut down when there is a leak. He stated the District has valves that can be turned on and off to minimize the number of people that are impacted by breaks and that he does not believe these valves are being used properly. Mr. Daniels stated that after a leak, when service is finally restored, everyone on his road experiences loud banging in their pipes caused by air in the water lines.

Consent Agenda

- A. Approval of Minutes from May 20, 2010 Board Meeting
- B. Approval of Check Register, Payment of Bills, and Invoices for May 2010
- C. Approval of Unclaimed Property for Transmittal to State Comptroller

Cash Mullen moved to approve the consent agenda. Marcus Canipe seconded the motion, which the Board approved unanimously.

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. Service Transfer Waiver for Customer at 127 Hoot Owl Lane
Cash Mullen moved to require the customer to complete a new service application and pay all required fees in accordance with District policy to get service at her new address. Marcus Canipe seconded the motion, which the Board approved unanimously.
- B. Committee Assignments
Mary Wilson appointed Cash Mullen as Chair of the Finance Committee and appointed Gordon Eurom and Bob Johnson to serve on the committee. She appointed Marcus Canipe as Chair of the Personnel Committee and appointed Mike Giguere and Gary Goodman to serve on the committee. Ms. Wilson stated this year there will be a new committee, the Infrastructure Committee, and she appointed Gordon Eurom as Chair and appointed Cash Mullen to serve on the committee. **No action taken.**
- C. Engineering Firm for Pressure Reduction Study
Mary Wilson moved to engage Bury and Partners to submit a proposal to the Board for performing a Pressure Reduction Study. Marcus Canipe seconded the motion, which the Board approved unanimously.
- D. Water Line Improvement Projects
Marcus Canipe moved to perform water line improvement projects including an 8" water line on FM 970 and CR 245, a 6" water line on FM 970, and to have an engineer determine if a booster pump would allow for increased pressure for the customer currently served by a 4" water line on CR 215. Bob Johnson seconded the motion, which the Board approved unanimously.

E. Engineering Proposals from Halff Associates

Mary Wilson moved to approve the engineering proposals from Halff Associates for water line improvement projects including an 8" water line on FM 970 and CR 245, a 6" water line on FM 970, and to have the engineers determine if a booster pump would allow for increased pressure for the customer currently served by a 4" water line on CR 215. Marcus Canipe seconded the motion, which the Board approved unanimously.

F. Extension of Interlocal Agreement With the City of Florence

Bob Johnson moved to approve extending the interlocal agreement regarding water reservation with the City of Florence. Cash Mullen seconded the motion, which the Board approved unanimously.

G. Bulk Water Account Billing

Jennifer McKnight stated that water rates were not correctly entered into the District's billing system and incorrect billing has occurred since November. The Board directed the General Manager to notify the customers, to correct the rates for bulk water accounts on the District billing system, and to begin billing the correct rates on bills mailed in August. No action taken.

H. New Developments

Marcus Canipe moved to approve Resolution No. 10-0617-01 to transfer the non-standard service agreement for Walnut Springs subdivision to the new developer. Bob Johnson seconded the motion, which the Board approved unanimously.

Mary Wilson moved to approve a non-standard service agreement for Bridle Gate Subdivision. Bob Johnson seconded the motion, which the Board approved unanimously.

The Board discussed the requirements for a new development off SH 195 known as Madison at Georgetown subdivision. Noah Schaffer, engineer with Halff Associates, stated that the engineering review of the subdivision has not yet been completed. However, it appears they are requesting service for over 1000 Living Unit Equivalents (LUEs) and that offsite upgrades will be required to serve the new development. No action taken.

I. Stonewall Ranch Easement Releases

Bob Johnson moved to approve releasing easements for the three requested properties located in Stonewall Ranch subdivision. Cash Mullen seconded the motion, which the Board approved unanimously.

J. Impact Fee Compliance Certification

Mary Wilson moved to approve signing and submitting the annual impact fee compliance certification to the attorney general's office. Cash Mullen seconded the motion, which the Board approved unanimously.

K. Interlocal Agreements With Williamson County Regarding Ronald Reagan Phase III

This item was tabled. No action taken.

L. Drought Stage

Bob Johnson moved to declare Stage 2 drought conditions. There was no second for the motion. The item was tabled until next month. No action taken.

M. Personnel Policy Handbook

Members of the Board requested some additional changes to the Personnel Policy Handbook. Mary Wilson asked the General Manager to make the changes requested by the Board, to send the handbook to Marcus Canipe for final review, and then to send it to legal counsel for review. No action taken.

Executive Session

Mary Wilson announced that pursuant to Section 551.071 of the Texas Open Meetings Act, the Board would go into executive session at 10:03 p.m. to confer with legal counsel regarding data recovery and security of the District's computer system.

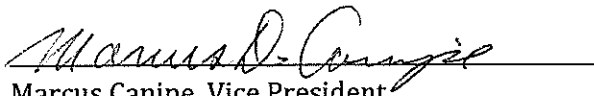
Mary Wilson announced the Board was out of executive session at 10:15 p.m. and that no action was taken during the executive session.

N. District Computer System and Data Recovery

Mary Wilson moved to have the General Manager obtain a proposal for a third party to perform a review of the data files recovered on the previous Finance Manager's computer, to address Mike Giguere's questions regarding the data, and to make a final report to the Board. Cash Mullen seconded the motion. Motion failed. (FOR: Mary Wilson, Cash Mullen, and Bob Johnson; AGAINST: Marcus Canipe)

Adjournment

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


Marcus Canipe, Vice President