

**Chisholm Trail Special Utility District
Of Williamson, Bell, and Burnet Counties, Texas
Minutes of Meeting of the Board of Directors
October 20, 2011**

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 20th day of October, 2011. 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 5:35 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
Mike Giguere	Secretary
Cash Mullen	Treasurer
Gary Goodman	Director
Pat Gower	Director
Ed Pastor	Director

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

Update by General Manager on current drought conditions and status of BRA system repairs.

Jennifer McKnight, General Manager, gave an update to the Board of Directors on the current drought conditions and its effect on the pump stations, wells, and water availability to customers, as well as the status of BRA system repairs.

Public Comments

1. Mike Sweeney: representing Woodland Park Ad Hoc Water Committee
 - *More than 86% of residents signed a petition to be removed from CTSUD.
 - *Started a “super committee” that includes other subdivisions. The purpose of the committee is to improve water supply, seek safe water, competitive rates, guaranteed fire flow, and restrictions consistent with other areas.
 - *They noted issues with budget and request the Board to get TCEQ to review budget.
2. Abby Brody: representing Woods of Fountainwood Ad Hoc Water Committee
 - *Believes planning is not good at District.
 - *Wants Board to consider including Woods of Fountainwood in transfer to City of

Georgetown.

3. Judy Curtis: resident of Gabriels Overlook
 - * Concerned about the future.
 - * Why is Board considering hiring a public relations firm?
4. Delton Robinson: representing Shady Oaks
 - * Wants Board to consider other alternatives to bond projects.
5. Terry Lord: resident of Woodland Park
 - * Has questions for engineers and would like to talk to them.
 - * Why so many breaks in water lines?
6. David Ciambrone: resident of Gabriels Overlook
 - * Believes District needs a program manager for projects.
 - * Why should he believe the water plant will be completed by May?
 - * Proposition #2 on November ballot and believes District should support it.
7. Don Scott: Vice Chairman of Woodland Park Ad Hoc Committee
 - * People need to see agenda before they can decide if want to come to meeting.
 - * 86% of subdivision did not join Woodland Park Ad Hoc Committee, but signed petition.
8. Karen Mattis: resident of Shady Oaks
 - * Concerned with salary and benefits in budget.
 - * Should not hire new FTE while negotiations with City of Georgetown underway.
9. Lowell Lasley: resident of Gabriels Overlook
 - * Has questions about supply and capacity.
 - * Take opportunity to use others with greater knowledge.

Consent Agenda

- A. Approve minutes from September 10, 2011 and September 15, 2011 Board of Directors Meetings.
- B. Approve check register, payment of bills, and invoices for September 2011.
- C. Approve Quarterly Investment Report for Fourth Quarter FY 2011.
- D. Approve write off of bad debt in the amount of \$4,746.98.

Cash Mullen moved to approve the Consent Agenda. Pat Gower 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 Report for ongoing infrastructure projects:
 - a. US 183 Waterline Relocation
 - b. SH 195 Segments II, IV Waterline Relocation
 - c. RM 2338 Phase 1 and 2 Waterline Relocation
 - d. FM 970 Waterline Upgrade Projects

- e. CR 228 Waterline Construction Project
- f. CR 250 and Northlake Maintenance Project
- g. Ronald Reagan Phase IV Water Main Projects
- h. CR 245 Waterline Relocation at RM 2338
- i. SH 29 Improvements at CR 260 and CR 266
- j. SH 29 Improvements at Jack Nicklaus Boulevard
- k. Liberty Hill I.S.D. Off-site Improvements
- l. PRV Installation Project
- m. Lake Georgetown North Water Treatment Plant Expansion Project
- n. Water Source Procurement Efforts

Action Items

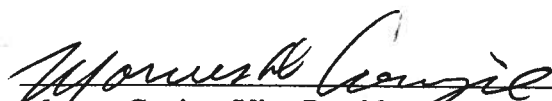
- A. Discussion and possible action regarding request from City of Florence to develop an agreement for an emergency interconnect with District water system. **Marcus Canipe moved to proceed with the City of Florence to develop an agreement for an emergency interconnect with District water system. Cash Mullen seconded the motion, which the Board approved unanimously.**
- B. Discussion and possible action regarding negotiations with the City of Georgetown for CCN service territory transfers. Glen Dishong with the City of Georgetown gave a presentation regarding the City's request for CCN transfer. **No action taken.**
- C. Discussion and possible action to approve First Amendment to the First Amended and Restated Non-Standard Service Agreement with Williamson County MUD #12 to extend contract. **Marcus Canipe moved to approve the First Amendment to the First Amended and Restated Non-Standard Service Agreement with Williamson County MUD #12 to extend the contract for five (5) years. Cash Mullen seconded the motion, which the Board approved unanimously.**
- D. Discussion and possible action to approve Resolution No. 11-1020-01 regarding the division of Williamson County MUD #19 into revised original district and a new district and to approve assumption agreement for new district, MUD #19A, to assume Non-Standard Service Agreement for Santa Rita subdivision. **Gary Goodman moved to approve Resolution No. 11-1020-01 regarding the division of Williamson County MUD #19 into revised original district and a new district and to approve agreement for new district, MUD #19A, to assume Non-Standard Service Agreement for Santa Rita subdivision. Cash Mullen seconded the motion, which the Board approved unanimously.**
- E. Discussion and possible action to award bid and authorize execution of contract for water line improvements on FM 970 and CR 228. **Cash Mullen moved to approve the bid and authorize execution of contract for water line improvements on FM 970 and CR 228 to the low bidder, Qro-Mex, for the bid price of \$513,429.00. Ed Pastor seconded the motion, which the Board approved unanimously.**

- F. Discussion and possible action to approve proposals from Halff Associates including:
- a. Engineering design proposal for bond projects. **Pat Gower moved to approve the engineering design proposal from Halff Associates for bond projects, with the understanding that approving the proposals does not commit the District to these specific projects but will only be used for TCEQ application submittal. Marcus Canipe seconded the motion, which the Board approved unanimously.**
 - b. Supplemental proposal for SH 29 at CR 260 and CR 266. **Marcus Canipe moved to approve the supplemental proposal for SH 29 at CR 260 and CR 266. Mary Wilson seconded the motion, which the Board approved unanimously.**
- G. Discussion and possible action to approve proposal and award contract for Fire Hydrant Maintenance and Flow Testing Project. **Cash Mullen moved to approve proposal and award contract for Fire Hydrant Maintenance and Flow Testing Project to the low bidder, Capital Hydrant, for the bid price of \$9,900.00. Marcus Canipe seconded the motion, which the Board approved unanimously.**
- H. Discussion and possible action to approve bids for purchase of two service vehicles. **Marcus Canipe moved to approve bids for purchase of two service vehicles to the low bidder, Philpott Ford, for the bid price of \$57,636.20. Gary Goodman seconded the motion, which the Board approved unanimously.**
- I. Discussion and possible action regarding proposals from T-Morales:
- a. Approve proposal for installation of quick connections at District plant sites.
 - b. Approve proposal for SCADA system upgrade package.
- Ed Pastor moved to approve the proposals from T-Morales regarding the installation of quick connections at District plant sites, and the SCADA system upgrade package. Gary Goodman seconded the motion, which the Board approved unanimously.**
- J. Discussion and possible action regarding emergency procurements by District General Manager including:
- a. Repair to Domel Well #1 in the amount of \$52,776.00
 - b. Repair to Domel Well #2 in the amount of \$14,513.92
 - c. Soundproofing wall at North Lake Pump Station in the amount of \$29,118.00
- Pat Gower moved to approve the emergency procurements by District General Manager to include the repair to Domel Well #1 in the amount of \$52,776.00; repair to Domel Well #2 in the amount of \$14,513.92; and the soundproofing wall at North Lake Pump Station in the amount of \$29,118.00. Marcus Canipe seconded the motion, which the Board approved unanimously.**

- K. Discussion and possible action to approve water rate study, set possible rate increase, and set effective date. The Board deferred this item to a special meeting to be scheduled. No action taken.
- L. Discussion and possible action to amend District Water Conservation and Drought Contingency Plan. Pat Gower moved to have the General Manager draft a new District Water Conservation and Drought Contingency Plan so that it is very clean, concise and about ten (10) pages in length. Mary Wilson seconded the motion, which the Board approved unanimously.
- M. Discussion and possible action to amend District Policy P-02, Petty Cash Funds, to increase beginning balance to \$600.00. Marcus Canipe moved to amend District Policy P-02, Petty Cash Funds, to increase beginning balance to \$600.00. Pat Gower seconded the motion, which the Board approved unanimously.
- N. Discussion and possible action regarding meter change out program. Ed Pastor moved to approve the Master Meter proposal with a hold date on meter cost to July 1, 2012. Marcus Canipe seconded the motion, which the Board approved unanimously.
- O. Discussion and possible action to approve amended and restated cafeteria plan. Marcus Canipe moved to approve the amended and restated cafeteria plan. Pat Gower seconded the motion, which the Board approved unanimously.
- P. Discussion and possible action to hire public relations firm for District communications. This item was tabled.
- Q. Discussion and possible action regarding Personnel Matter: annual evaluation of General Manager. This item was tabled.

Adjournment

The meeting adjourned at 10:45 p.m. on a motion by Cash Mullen and seconded by Marcus Canipe, which the Board approved unanimously.



Marcus Canipe, Vice President