

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

**Minutes of Meeting of the Board of Directors
November 14, 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 10:00 a.m. on the 14th day of November, 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 10:02 a.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
Pat Gower	Director
Gary Goodman	Director
Ed Pastor	Director

Four Board members were present, with Mike Giguere, Gary Goodman, and Pat Gower absent, thus constituting a quorum. Also present was Jennifer McKnight, Harry Randall, Terri Sisk, Tony Corbett, Todd Jackson, Noah Schaffer and those listed on the attached sign-in sheet.

Jennifer McKnight, General Manager, gave a presentation that addressed the following:

- Calculation of 2012 revenue projections indicating a decrease from 2011 actual revenue.
- Review of increased expenses resulting in expenses greater than expected revenue.

Ms. McKnight and engineers from Halff Associates, Todd Jackson and Noah Schaffer, gave a presentation that addressed the following:

- Water system capabilities for the future.
- Water supply procurement efforts in process.

Additionally, Ms. McKnight gave an update to the Board regarding the bond application to TCEQ including updated estimates for proposed projects, project priorities, project timelines, and costs associated with bond issuance.

Bob Wallace with the Wallace Group and Don Rauschuber, previous General Manager of the District (and former District Engineer), provided an overview of prior water system improvement projects constructed by the District. The engineers discussed improvements that were completed in the past to allow for additional water pumping capability into the distribution system, and described prior water system modeling efforts. Mr. Wallace noted that the VFD pump motors should mitigate water system pressures associated with the new pumping station. He also stated the system, as it exists, can handle the additional 5 million gallons of water when it comes on line next spring. Consideration should be given to eventually replacing the existing 15" PVC line on Williams Drive

between CR 3405 and Ronald Reagan Boulevard. Mr. Rauschuber suggested that reversed directional flow through the twin twelve water lines may help better distribute water into the system next summer until other improvements could be completed. Mr. Rauschuber also stated that the improvements constructed to serve new subdivisions within the City of Georgetown's extraterritorial jurisdiction were constructed in accordance with City of Georgetown design and fire flow standards.

Discussion and possible action regarding negotiations with the City of Georgetown for CCN transfer.

Jim Briggs made statements to the Board of Directors regarding the proposed transfer of CCN territory from the District to the City of Georgetown. He stated that the provision of fire flows is critical for development of the City, and that fire flow levels of service are required in order for subdivisions to receive plat approval from the City of Georgetown. Mr. Briggs stated that the District's system could not provide fire flow levels of service at peak periods and particularly to commercial developments. At the Board's request, Mr. Briggs explained ISO fire flow requirements for different types of land uses. Mr. Briggs also discussed the possibility of creating a regional water authority to assist the City and the District with future water demands. Mary Wilson asked Mr. Briggs what he would like from the Board of Directors. Mr. Briggs stated that he would like a resolution to the CCN transfer issue by the end of the year, and he would provide the district with further information regarding a regional water authority after more study. Director Canipe stated that it may not be possible for the Board to render a decision in accordance with Mr. Briggs' requested schedule.

Executive Session

At 12:53 p.m., Mary Wilson announced the Board of Directors would enter into Executive Session pursuant to Section 551.071 of the Texas Open meetings Act for consultation with attorney regarding the CCN service territory transfer matter.

The Executive Session was adjourned at 2:53 p.m.

After Director Wilson reconvened the public meeting, the Board again discussed the proposed transfer of CCN service territory. **After further discussion, Ed Pastor made a motion to engage Don Rauschuber as a consultant when needed regarding District engineering issues. Marcus Canipe seconded the motion, which the Board approved unanimously.**

ADJOURNMENT

The meeting adjourned at 2:55 p.m. on a motion by Ed Pastor and seconded by Marcus Canipe, which the Board approved unanimously.



Marcus Canipe, Vice President