

**Chisholm Trail Special Utility District
Of Williamson, Bell, and Burnet Counties, Texas
Minutes of Meeting of the Board of Directors
July 19, 2012**

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 and meeting place for the District, 851 FM 970, Florence, Williamson County, Texas beginning at 5:30 p.m. on the 19th day of July, 2012. 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.

Gordon Pierce, Interim General Manager, called roll:

Mary Wilson	President
Marcus Canipe	Vice-President
Ed Pastor	Secretary
Cash Mullen	Treasurer
Gary Goodman	Director
Pat Gower	Director
David Ciambrone	Director

Seven Board members were present, thus constituting a quorum. Also present were Gordon Pierce (Interim General Manager), Tony Corbett, Harry Randall, Terri Sisk, Linda White, and those listed on the attached sign-in sheet.

Public Comments

None

Consent Agenda

- A. Approve minutes from the June 13, 2012 and June 21, 2012 Board of Directors Meetings.
- B. Approve check register, payment of bills, and invoices for June, 2012.

Cash Mullen moved to approve Items A and B of the Consent Agenda. Gary Goodman seconded the motion, which the Board approved unanimously.

- C. Approve amended District Administrative Unclaimed Property Policy A-02. Pat Gower moved to approve the amended District Administrative Unclaimed Property Policy A-02. Marcus Canipe seconded the motion, which the Board approved unanimously.

- D. Approve transmittal of unclaimed property to Texas Comptroller in accordance with District Administrative Policy A-02 (Unclaimed Property). NOTE: this item was removed from the Consent Agenda and placed under Action Items in order for the Board to discuss.
- E. Approve new contract for fuel purchasing company for District fleet trucks from Comdata to U.S. Banks due to change in State of Texas contract. **Marcus Canipe moved to approve the new contract for fuel purchasing company for District fleet trucks from Comdata to U.S. Banks due to change in State of Texas contract, and to include a certificate evidencing the Board's approval and Gordon Pierce's authority to sign the contract. David Ciambrone seconded the motion, which the Board approved unanimously.**
- F. Approve cost submittal for replacement of air conditioning compressor for Unit #3 at the District office. **Marcus Canipe moved to approve the cost submittal for replacement of air conditioning compressor for Unit #3 at the District office.**

Action Items

Originally placed as Item D under Consent Agenda on the agenda: NOTE: this item was removed from the Consent Agenda and placed under Action Items in order for the Board to discuss. Approve transmittal of unclaimed property to Texas Comptroller in accordance with District Administrative Policy A-02 (Unclaimed Property). Terri Sisk, Finance Manager, reported that the funds are from un-cashed checks from previous years that were paid to vendors and returned customer deposits. Attempts to contact parties of the checks have been unsuccessful. Tony Corbett, District legal counsel, stated that his office will contact Pulte Home of Texas and Lennar Homes, to initiate the contact concerning their un-cashed checks, and to request that the home builders to contact the District's accounting department. **Tabled.**

- A. Discussion and possible action regarding option to renew an engagement letter from Padgett, Stratemann & Co., L.L.P. to perform FY 2012 annual financial audit. Discussion occurred regarding the benefits and necessity of changing auditors periodically, and whether the District should prepare a request for proposals for audit services for future audits. **Marcus Canipe moved to approve renewing the engagement letter from Padgett, Stratemann & Co., L.L.P. to perform FY 2012 annual financial audit. Cash Mullen seconded the motion, which the Board approved unanimously.**
- B. Discussion and possible action related to a request from City of Florence for Wholesale Water Supply Agreement between District and City of Florence. Gordon Pierce gave an overview. The Board engaged in a discussion regarding the 500 acre-feet of wholesale water service requested by the City of Florence, population and projected service demands within the City, and the costs of upgrading the District's infrastructure to provide the requested level of wholesale water service. **Pat Gower made a motion for the District's engineering consultants to prepare an analysis regarding the quantity of wholesale water service that the District's system is currently capable of providing to the City of Florence, projected demands within the City of Florence, and the costs associated with upgrading the District's water system to**

provide additional levels of wholesale water service, at a cost not to exceed \$5,000, to be reimbursed by the City of Florence. Gary Goodman seconded the motion, which the Board approved unanimously.

- C. Approve the revised Interlocal Agreement with the City of Florence for an Emergency Interconnect. **Pat Gower moved to approve the revised Interlocal Agreement with the City of Florence for an Emergency Interconnect. Cash Mullen seconded the motion, which the Board approved unanimously.**
- D. Discussion and possible action to approve Halff Associates, Supplemental No. 1 to the Liberty Hill ISD waterline project which allows additional easement surveying and acquisition services due to discovery of four (4) additional easements along the project from CR 200 to the new LHISD High School. **Pat Gower moved to approve Halff Associates, Supplemental No. 1 to the Liberty Hill ISD waterline project authorizing additional easement surveying and acquisition services for four (4) additional easements along the project from CR 200 to the new LHISD High School. David Ciambone seconded the motion, which the Board approved unanimously.**
- E. Discussion and possible action on change orders for the FM 970/CR 228 project. **Pat Gower moved to approve the recommended change orders for the FM 970/CR 228 project as more particularly described in the Board packets. David Ciambone seconded the motion, which the Board approved unanimously.**
- F. Discussion and possible action to approve Non-Standard Water Service Agreement for Park 29 Development on Highway 29, in Williamson County, Texas. **Marcus Canipe moved to approve the Non-Standard Water Service Agreement for the Park 29 Development on Highway 29, in Williamson County, Texas, subject to clarification that the level of service will be determined at the boundary of the subject property. Pat Gower seconded the motion, which the Board approved unanimously.**
- G. Discussion and possible action to approve Non-Standard Water Service Agreement with the developer of Mission Oaks Subdivision. Board discussed the availability of fire flows to the Mission Oaks Subdivision, the offsite infrastructure costs required to make fire flow available, and the possible inclusion of the infrastructure within updates to the District's Capital Improvement Plan. **Cash Mullen moved to approve Non-Standard Water Service Agreement for the Mission Oaks Subdivision. David Ciambone seconded the motion, which the Board approved unanimously.**
- H. Discussion and possible action to approve matters related to November 6, 2012 Board of Directors Election:
1. Adopt Order No. 12-0719-01, calling the November 6, 2012 Directors Election
 2. Approve Notice of Appointment of Agent
 3. Discussion and action regarding form of election notice

4. Approve such other items as may be necessary or convenient to proceed with November 6, 2012 Directors Election

Pat Gower moved that the Board:

1. **Adopt Order No. 12-0719-01, calling the November 6, 2012 Directors Election;**
2. **Approve Notice of Appointment of Agent; and**
3. **Authorize notice of the election to be given by posting, on the District's website, and as a mail out to customers.**

Marcus Canipe seconded the motion, which the Board approved unanimously.

- I. Discussion and possible action to approve Resolution No. 12-0719-01 amending the FY 2012 budget and set the Budget Workshop date. **Pat Gower moved to approve Resolution No. 12-0719-01 amending the FY 2012 budget and to set the Budget Workshop for August 14, 2012. Marcus Canipe seconded the motion, which the Board approved unanimously.**

Recess

The Board recessed the meeting at 6:55 p.m.

Reconvened

The Board reconvened the meeting at 7:05 p.m. with all directors present.

Interim General Manager's Report

Gordon Pierce presented the Interim General Manager's Report including the following information:

- A. Operational Status Report & Water Loss Report
- B. Monthly Financial Reports
- C. Project Status Report for ongoing infrastructure projects:
 - a. US 183 Waterline Relocation
 - b. SH 195 Segments I, 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 Blvd.
 - k. Liberty Hill I.S.D. Off-site Improvements
 - l. CR 215 Waterline Replacement Project
 - m. RM 2338/CR 248 15-inch Water Main Replacement Project
 - n. PRV Installation Project
 - o. Stonewall Fill Valve

- p. SH 138 Waterline Replacement Project
- q. Abandon Sites

Executive Session

There was no Executive Session.

Adjournment

The meeting adjourned at 7:20 p.m. on a motion by Cash Mullen and seconded by David Ciambrone, which the Board approved unanimously.



Ed Pastor, Secretary

Amendment to the minutes as noted and approved during the August 16, 2012 Board of Directors meeting. Under Consent Agenda, Item F, the motion did not indicate a second, nor include a Board vote. Therefore, after the motion was made, there should have been the statement: Cash Mullen seconded the motion, which the Board approved unanimously.