

**Chisholm Trail Special Utility District
Of Williamson, Bell, and Burnet Counties, Texas
Minutes of Meeting of the Board of Directors
September 20, 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 20th day of September, 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.

John Hatchel, Interim General Manager, called role:

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

Six Board members were present, with Ed Pastor absent, thus constituting a quorum. Also present were John Hatchel (Interim General Manager), Tony Corbett, Harry Randall, Terri Sisk, Danielle Ellis, Linda White, and those listed on the attached sign-in sheet.

Public Comments

None.

Consent Agenda

A. Approve minutes from the August 1, 2012, August 8, 2012, August 14, 2012 (9:30 a.m.), August 14, 2012 (1:00 p.m.), August 16, 2012, August 21, 2012, and August 29, 2012 Board of Directors Meetings.

B. Approve check register, payment of bills, and invoices for August, 2012.

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

C. Approve sale of salvage items: 2009 Ford F-150 ½ ton 4x4 truck and 2002 Ford F-150 ¾ ton 4x4 truck.

- D. Approve transmittal of unclaimed property to Texas Comptroller in accordance with District Administrative Policy A-02 (Unclaimed Property).

Cash Mullen moved to approve Items C and D under the Consent Agenda. David Ciabrone seconded the motion, which the Board approved unanimously.

Action Items

- A. Discussion and possible action related to fire flow levels of service. Tony Corbett provided a summary to the Board of Directors of the backup documentation in the Board packets addressing legal, financial, and operational considerations associated with the provision of fire flow levels of water service. The Board then engaged in lengthy discussion regarding whether to require the developers of property within the District to disclose the level of water service available to prospective purchasers of property. After substantial discussion, the Board concurred that it would make a determination on a case by case basis whether to include such disclosure obligations in each nonstandard service agreement based upon all relevant considerations. The Board also concurred that when applicable, prospective purchasers of property should be advised to contact the District to determine the level of water service furnished to the property, since the level of service changes over time as improvements are made to the District's system. **No further action was taken on this item.**
- B. Discussion and possible action related to adoption of policy for metering dedicated fire protection lines. The Board considered the engineering report in the Board packets recommending that the District authorize applicants for service that require a dedicated fire protection line to install a double check detector assembly in lieu of a second meter for the dedicated fire line. The devices would allow applicants for service to avoid the costs of purchasing and installing a separate meter for the fire protection line, but would also allow the District to detect any unauthorized use of, or leaks in, the dedicated fire protection line.
- C. Discussion and possible action to approve Resolution No. 12-0920-01 Establishing Rules for Metering Dedicated Fire Protection Lines. The Board considered a proposed amendment to its Rules Governing Water Service to authorize applicants for service that require a dedicated fire protection line to install a double check detector assembly to satisfy the District's metering requirements. **Pat Gower moved to approve Resolution No. 12-0920-01 Establishing Rules for Metering Dedicated Fire Protection Lines. David Ciabrone seconded the motion, which the Board approved unanimously.**
- D. Discussion and possible action to waive requirement to install a 6" fire demand at Resource Commercial Park. In light of the Board's adoption of the resolution amending the District's rules to allow the installation of a double check detector assembly, **the Board took no action on this matter.**

- E. Discussion and possible action to approve Non-Standard Water Service Agreement with the developer of Mission Oaks Subdivision. Mr. Corbett provided an overview of revisions made to the Nonstandard Water Service Agreement previously approved by the Board relating to impact fee payment and fire flow. The Board discussed whether to require the developer of the subdivision to give notice to prospective purchasers that they should contact the District to determine the level of service available to the subdivision. The Board directed Mr. Corbett to include such a disclosure obligation, and agreed to table consideration of the contract until the next Board meeting.
- F. Discussion and possible action to approve Resolution No. 12-0920-02 adopting proposed Fiscal Year 2013 Budget. **Cash Mullen moved to approve Resolution No. 12-0920-02 adopting a Fiscal Year 2013 Budget. David Ciambrone seconded the motion, which the Board approved unanimously. A copy of the Resolution and Budget adopted by the Board is attached to these meeting minutes.**
- G. Discussion and action concerning an extension to the Interlocal Agreement Regarding Reservation of Surface Water Supply between the District and the City of Florence. Noah Shaffer, Halff Associates, District's engineering consultant, gave an overview of improvements that would be required to provide service to Florence, and the quantity of service available. The Board directed its engineering and legal consultants to meet with City representatives to discuss the availability of wholesale service. The Board also considered the City's request that the current Interlocal Agreement for the Reservation of Surface Water Supply be extended until October 31, 2012. **Cash Mullen moved to approve a Second Extension to the Interlocal Agreement Regarding Reservation of Surface Water Supply between the District and the City of Florence. David Ciambrone seconded the motion, which the Board approved unanimously.**

Recess

The Board recessed the meeting at 7:05 p.m.

Reconvened

The Board reconvened the meeting at 7:10 p.m. with all directors present.

- H. Discussion and possible action to approve District signatory matters including:
- a. Approve removal of informational reporting of Terri Sisk from all District banking accounts, investment accounts, and safe deposit box.
 - b. Approve Resolution No. 12-0920-03 to amend authorized informational representative for District TexPool accounts.
 - c. Approve Resolution No. 12-0920-04 to authorize District Bookkeeper, Danielle Ellis, and entry to District safe deposit box.

Pat Gower moved to approve District signatory matters including (a) removal of information reporting of Terri Sisk, (b) Resolution No. 12-0920-03, and (c) Resolution No. 12-0920-04. Cash Mullen seconded the motion, which the Board approved unanimously.

- I. Update on matters related to November, 2012 Board of Directors Election. John Hatchel gave the Board an update.

- J. Receive report from the Personnel Committee with discussion and possible action concerning recommendations for job descriptions and establish salary ranges for the positions of General Manager and Technical Service Manager. Board Director, Marcus Canipe, Chairman of Personnel Committee, gave an overview of job descriptions of General Manager and Technical Service Manager. **The Board tabled consideration of the recommendations.**

Interim General Manager's Report

John Hatchel 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:
(The individual project status reports, at direction from the Board, will no longer be included in the monthly Board notebooks, only the General Manager will continue receiving the individual project status reports.)
- D. MOU schedule

Executive Session

There was no Executive Session.

Adjournment

The meeting adjourned at 7:48 p.m. on a motion by Cash Mullen and seconded by Pat Gower, which the Board approved unanimously.



Marcus Canipe, Vice President