

**Chisholm Trail Special Utility District
Of Williamson, Bell, and Burnet Counties, Texas
Minutes of Meeting of the Board of Directors
December 20, 2012**

The Board of Directors of Chisholm Trail Special Utility District of Williamson, Bell, and Burnet Counties, Texas convened at 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 December, 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.

Pat Gower led those present in the Pledge of Allegiance to the American flag.

Gordon Pierce, Interim General Manager, called roll:

Pat Gower	President
Ed Pastor	Vice-President
Mike Sweeney	Secretary
Delton Robinson	Treasurer
Marcus Canipe	Director
Gary Goodman	Director
David Ciambrone	Director

All Board members were present, thus constituting a quorum. Also present were Gordon Pierce, Tony Corbett, Harry Randall, Keith Walker, Danielle Ellis, Linda White, Todd Jackson (Halff Associates), Noah Shaffer (Halff Associates), Keith Caldwell (Bury+Partners), and those listed on the sign-in sheet.

Public Comments

A member of the audience, Don Scott, expressed views pertaining to the future status of the District, and customer service.

Consent Agenda

- A. Approve minutes from the November 15, 2012 (3:30 p.m.), November 15, 2012 (5:30 p.m.), and November 27, 2012 meetings of the Board of Directors. David Ciambrone moved to approve the minutes from the November 15, 2012 (3:30 p.m.), November 15, 2012 (5:30 p.m.) and November 27, 2012 meetings of the Board of Directors. Ed Pastor seconded the motion, which the Board approved unanimously. (Delton Robinson and Mike Sweeney abstained from voting on the November 15, 2012 two meetings because neither had been sworn in as Board Directors.)

- B. Approve check register, payment of bills, and invoices for December, 2012. Delton Robinson moved to approve the check register, payment of bills, and invoices for November, 2012. David Ciambone seconded the motion, which the Board approved unanimously.

Action Items

- A. Discussion Regarding Potential Wholesale Water Supply Agreement with the City of Florence. Tony Corbett, District legal counsel, discussed various aspects of the potential Wholesale Water Supply Agreement with the City of Florence with the Board. **No action taken.**
- B. Discussion and possible action regarding schedule and procedures for update of District capital improvements plan, land use assumptions, and possible amendment of impact fees. Noah Schaffer, Halff Associates, and Tony Corbett briefed the Board on the process regarding schedule and procedures for update of District capital improvements plan, land use assumptions, and possible amendment of impact fees. **No action taken.**
- C. Discussion regarding financing of RM 2338/CR 248 15" Waterline Replacement. Gordon Pierce explained the District's financial status as well as the cost of issuing revenue bonds. The Board will consider finance options when bids are submitted at the January Board meeting. **No action taken.**

Recess

The Board recessed the meeting at 6:30 p.m.

Reconvened

The Board reconvened the Board meeting at 6:35 p.m. with all directors present.

- D. Discussion and possible action regarding amendments to Rules Governing Water and Wastewater Service for Chisholm Trail S.U.D. Pat Gower moved to accept the amendments, with corrections, to Rules Governing Water and Wastewater Service for Chisholm Trail S.U.D. Delton Robinson seconded the motion, which the Board approved unanimously.
- E. Discussion and possible action regarding amendments to the Policies of Chisholm Trail Special Utility District Relating to the Board of Directors and its Meetings, Officer Responsibilities, Ethics, and other Matters Relating to the Administration and Management of the District. **Tabled.**
- F. Discussion and possible action to approve proposal and award contract for 2013 Fire Hydrant Maintenance and Fire Flow Testing Project. Quotes were solicited from five (5) approved contractors. Only one quote was received. Capital Hydrant, LLC submitted a bid of \$11,000.00 for fire hydrant maintenance and fire flow testing on 220 fire hydrants.

Marcus Canipe moved to accept the quote of \$11,000.00 from Capital Hydrant, LLC for maintenance and testing of 220 fire hydrants, and for staff to negotiate with Capital Hydrant to submit a quote for maintenance and testing of the remainder of fire hydrants in the District. Delton Robinson seconded the motion, which the Board approved unanimously.

- G. Discussion and possible action to approve Termination Agreement between Willrae Partners I, Ltd., Willrae Partners II, Ltd., Chisholm Trail SUD, and Georgetown Independent School District (Wade Crossing) providing for termination of waste disposal permit and former service agreements. Tony Corbett, District legal counsel, provided an explanation and the prepared agreement. Mike Sweeney moved to approve the Termination Agreement between Willrae Partners I, Ltd., Willrae Partners II, Ltd., Chisholm Trail SUD, and Georgetown Independent School District (Wade Crossing) providing for termination of waste disposal permit and former service agreements. David Ciambrone seconded the motion, which the Board approved unanimously.
- H. Discussion and possible action regarding identification of potential Local Government Corporation (LGC) Board members. Gordon Pierce, Interim General Manager, provided the Board with information regarding appointment of LGC Board. No action taken.
- I. Discussion and possible action regarding denial of District claim with TMLIRP regarding illegal disposal of contaminants in wastewater collection system manhole. Ed Pastor moved to approve payment of \$17,121.81 to Wastewater Transport Services to contain and hold the waste, then to provide proper disposal of the waste. Marcus Canipe seconded the motion, which the Board approved unanimously.
- J. Discussion and possible action regarding 2012-2013 Board of Directors Essential Duty Calendar. President Pat Gower reviewed the 2012-2013 Board of Directors Essential Duty Calendar with the Board. This item was for discussion only and will be placed onto the January Board meeting agenda for further action. No action taken.

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

Executive Session

At 8:08 p.m., President Pat Gower announced that the Board of Directors would enter into Executive Session to seek legal advice under the following:

- A. Texas Government Code - Section 551.071
 - i. Consultation with Attorney regarding the legal obligations of Board members and District under the Public Information Act and Records Retention Act.
 - ii. Consultation with Attorney regarding landowner claim for damages and compensation relating to construction of waterline improvements in Cherokee Trail right-of-way area.

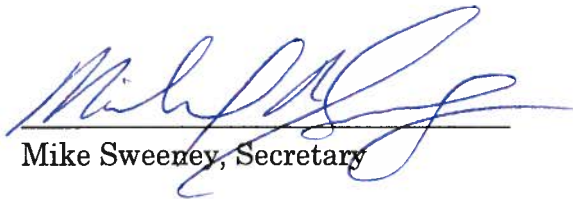
- B. Texas Government Code - Section 551.074
 - i. Personnel Matters - Performance Evaluation of the Interim General Manager.

Possible action regarding items discussed in Executive Session

At 9:25 p.m., the Board of Directors reconvened the public portion of the meeting and President Pat Gower announced that no final action, decision, or vote was taken in any matter in Executive Session.

Adjournment

The meeting adjourned at 9:30 p.m. on a motion by Delton Robinson and seconded by David Ciambrone, which the Board approved unanimously.


Mike Sweeney, Secretary