

**Chisholm Trail Special Utility District
Of Williamson, Bell, and Burnet Counties, Texas
Minutes of Meeting of the Board of Directors
February 20, 2014**

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 February, 2014. Notices of the time, place, and subject of the meeting were posted at the places and for the time required by law.

The meeting was called to order at 5:30 p.m.

President Delton Robinson led those present in the Pledge of Allegiance to the American flag.

Linda White called roll:

Delton Robinson	President
Ed Pastor	Vice President
Mike Sweeney	Secretary
James Pletcher	Treasurer
Gary Goodman	Director
Pat Gower	Director
Bob Johnson	Director

All Board members were present, thus constituting a quorum. Also present were Jim Briggs, Harry Randall, Keith Walker, Danielle Ellis, Linda White, and those listed on the sign-in sheets. Leonard Dougal, District legal counsel, was available via. speaker phone.

Public Comments

None.

General Manager's Report

- A. Operations Report – Jim Briggs presented to the Board graphs indicating the meter counts, gallons of water used and sold over the past two-three years. These graphs indicate growth within the District. With this growth there is a demand for new meters as well as requests for new meters within new developments. Currently these requests for new developments are being processed and evaluated in regards to the District's available resource of water. Issues relative to supply are 1) the yield of the wells – yield can decrease during the summer, and 2) evaluate the outstanding commitments, knowing that the requested water has to remain reserved. During the March Board meeting, staff will present a recommended action to be taken by the Board in order to manage the contract agreements coming forward from the developers, keeping in mind that the District will not exceed the amount of resources available to make a commitment.

- C. Update on TCEQ status and review/approval of pending STM application. Jim Briggs reported that staff has compiled all assignment information. Leonard Dougal and Bill Riley, Water Resources Management, will be working with the information to identify and prioritize before giving to TCEQ. The 30 day comment period was extended to February 20th because the Stonewall MUD address listed with TCEQ was incorrect due to the fact that Stonewall MUD had changed their address; therefore, those notices had to be resent. Leonard Dougal shared a couple of thoughts with the Board: 1) the importance of Bill Riley prioritizing the larger development areas under contract in order to get signed consents, and 2) Delton Robinson, Mike Sweeney, Pat Gower and himself met with Linda Brookings, TCEQ, and even though she was non-committal, the group realized that TCEQ was very informed and knowledgeable of the situation.
- B. Project Status Reports – Wesley Wright shared that the CIP report for Georgetown will be completed in June. The Georgetown CIP report will be inclusive of the District and include information from the District’s latest CIP report. Mr. Wright stated that installation of Pump #4 at the North Lake Georgetown Pump Station has been placed on hold for the time being. Mr. Wright updated the Board on the Braun EST Rehabilitation and the SH 138 12-inch Waterline projects.

Consent Agenda

- A. Approve minutes from the January 16, 2014 Board of Directors meeting. Ed pastor moved to approve the minutes from the January 16, 2014 Board of Directors meeting. Pat Gower seconded the motion, which the Board approved unanimously.

Legislative Regular Agenda

- A. Consideration and possible action to approve the final payment to Maxwell, Locke and Ritter, LLC, in an amount not to exceed \$29,500.00. Maxwell, Locke and Ritter, LLC were the District’s newly contracted auditing firm to conduct the FY 2013 Financial Audit. Based on the direction by the District, work needed to change from a qualified opinion to an unqualified opinion which resulted in additional work; consequently the original fees were exceeded. The firm was requesting an additional reimbursement of \$7,500.00 in addition to the quoted fee of \$22,000 to complete the audit. Pat Gower moved to approve the modified final payment to Maxwell, Locke and Ritter, LLC, in an amount not to exceed \$29,500.00. Mike Sweeney seconded the motion, which the Board approved unanimously.
- B. Consideration and possible action to approve District signatory matters including:
1. Removal of signatory authority of outgoing Board members.
 2. Approve Resolution No. 14-0220-01 to designate signatory authority to Board President, Vice-President, Secretary, Treasurer, General Manager and Transition Manager.
 3. Approve Resolution No. 14-0220-02 to amend authorized representatives for District TexPool accounts.
 4. Approve Resolution No. 14-0220-03 to amend authorized users of safe deposit box at Union State Bank.

Gary Goodman moved to approve all four (4) of the District signatory matters as modified. Pat Gower seconded the motion, which the Board approved unanimously.

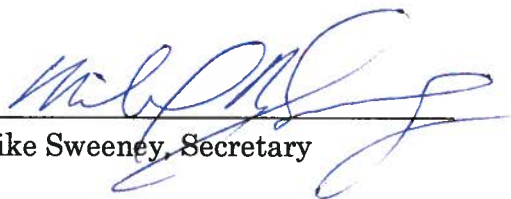
Discussion occurred that the District does not currently have Public Official bonding for the General Manager, Jim Briggs, nor the Transition Manager, Keith Walker. The Board directed Linda to contact the District's bonding representative firm and secure the appropriate bonding coverage for the District's management personnel.

Executive Session

None.

Adjournment

The meeting adjourned at 6:07 p.m. on a motion by Pat Gower and seconded by Ed Pastor, which the Board approved unanimously.

A handwritten signature in blue ink, appearing to read 'Mike Sweeney', written over a horizontal line.

Mike Sweeney, Secretary