

**Chisholm Trail Special Utility District
Of Williamson, Bell, and Burnet Counties, Texas
Minutes of Meeting of the Board of Directors
January 12, 2017**

The Board of Directors of Chisholm Trail Special Utility District convened in a meeting at the administrative office and meeting place for the District, 851 FM 970, Florence, Williamson County, Texas beginning at 2:30 p.m. on the 12th day of January, 2017. 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 2:30 p.m.

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

Roll was called:

Delton Robinson	President
Ed Pastor	Vice President
Mike Sweeney	Secretary
Bob Kostka	Treasurer
Gary Goodman	Director
David Maserang	Director
Bob Johnson	Director

Six Board members were present, with Gary Goodman absent, thus constituting a quorum. Also present was Jim Briggs, City of Georgetown General Manager of Utilities, Linda White and those listed on the sign-in sheet.

Public Comments

None.

Delton Robinson reminded the Board of the February 8, 2017 date, at 1:30 p.m., for the Court of Appeals in the Third District of Texas to hear oral arguments pertaining to the Chisholm Trail Stakeholders Group v. Chisholm Trail Special Utility District, et al; Cause No. D-1-GN-15-003337 in the 419th District Court, Travis County, Texas, and interlocutory appeal, No. 03-16-0214-CV.

Georgetown Utility System Customer Update

Jim Briggs, City of Georgetown General Manager of Utilities, gave an overview of water production, loss, sales and lake/well levels. Mr. Briggs updated the Board on various aspects of projects and repairs throughout the District.

Consent Agenda

- A. Approve minutes from the November 17, 2016 meeting of the Board of Directors
Ed Pastor moved to approve the minutes from the regular Board meeting of November 17, 2016. David Maserang seconded the motion, which the Board approved unanimously. (6-0)

- B. Financial monthly report - Bob Kostka, Treasurer. Bob Kostka stated that he was removing the financial monthly report from the Consent Agenda to allow for discussion with the Quarterly Report.

Legislative Regular Agenda

- A. Review and possibly approve the Quarterly Investment Activity Report for First Quarter of 2016-2017. Discussion occurred regarding the Quarterly Report as well as the monthly financials. Ed Pastor moved to approve the Quarterly Report and the monthly financials. The Board determined for each item to be approved separately. Ed Pastor amended his motion and moved to approve the Quarterly Investment Activity Report for the First Quarter of 2016-2017. Mike Sweeney seconded the motion, which the Board approved unanimously. (6-0) Ed Pastor moved to approve the monthly financial report. David Maserang seconded the motion, which the Board approved unanimously. (6-0)

Bob Kostka clarified that the cost of the audit ending September 30, 2016 is \$8,000.00, which is the same as the cost of the audit ending September 30, 2015. Mr. Kostka stated at the beginning of discussing costs of the audit, he indicated that the charge could possibly be \$5,000.00. Mike Sweeney moved to adjust the total fee charged by Maxwell Locke & Ritter for the September 30, 2016 Financial Audit to not exceed \$8,000.00. Bob Kostka second the motion, which the Board approved unanimously. (6-0)

Mr. Kostka stated that the Board will meet on Thursday, February 2, 2017 at 2:00 p.m., with Maxwell, Locke & Ritter, auditors, to discuss and possibly approve the financial audit ending September 30, 2016.

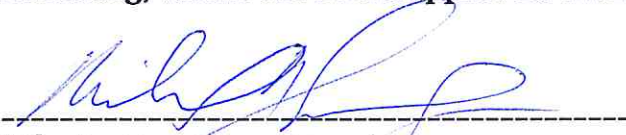
Mr. Kostka stated that the Investment Policy will be discussed and possibly approved at the regular monthly meeting of the Board on February 9, 2017.

Executive Session

There was no Executive Session.

Adjournment

The meeting adjourned at 3:42 p.m. on a motion by Mike Sweeney, seconded by David Maserang, which the Board approved unanimously. (6-0)



Mike Sweeney, Secretary
Board of Directors