

**Chisholm Trail Special Utility District
Of Williamson, Bell, and Burnet Counties, Texas**

**Minutes of Meeting of the Board of Directors
August 19, 2010**

The Board of Directors of Chisholm Trail Special Utility District of Williamson, Bell, and Burnet Counties, Texas convened in a regularly scheduled 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 19th day of August, 2010. 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.

Jennifer McKnight called role:

Mary Wilson	President
Marcus Canipe	Vice-President
Gordon Eurom	Secretary
Cash Mullen	Treasurer
Mike Giguere	Director
Bob Johnson	Director
Gary Goodman	Director

Five Board members were present, with Gordon Eurom and Mike Giguere absent, thus constituting a quorum. Also present were Jennifer McKnight, Tony Corbett, Harry Randall, and those listed on the attached sign-in sheet.

Public Comment

Ms. Robin Benson stated she lives on CR 230. She stated that her water bill tripled even though she was gone from her home for 15 days. Additionally, she reported the leak to the District and it took several days for staff to come out to the site and repair the leak. Ms. Benson stated that she does not feel it is fair that she must pay a high bill when the leak was not repaired timely. Ms. Benson said a field representative informed her that this leak was not why her bill was high. She said he told her that she must have a leak on her side of the meter as well because the water from the leak repaired by the District does not go through the meter. Mary Wilson asked that this issue be placed on the September agenda for Board consideration.

Consent Agenda

Marcus Canipe requested item D to be removed from the consent agenda for discussion.
Gary Goodman requested item E to be removed from the consent agenda for discussion.

- A. Approval of Minutes from July 15, 2010 Board of Directors Meetings
- B. Approval of Check Register, Payment of Bills, and Invoices for July 2010

- C. Approval of FYE 2010 Quarterly Investment Report for the Third Quarter
Cash Mullen moved to approve items A, B and C on the consent agenda. Bob Johnson seconded the motion, which the Board approved unanimously.
- D. Approval of Director attendance at Public Funds Investment Class in San Antonio, Texas on December 2-3, 2010 at a cost not to exceed \$975
 Marcus Canipe stated the estimated cost for the class was expensive and questioned who would be attending and the necessity of the travel. Ms. McKnight explained the class would be attended by Director Mullen to comply with his requirement for investment training under the Public Investment Act and District Policy.
Mary Wilson moved to approve Cash Mullen to attend the Public Funds Investment Class in San Antonio during December 2010 at a cost not to exceed \$975. Marcus Canipe seconded the motion, which the Board approved unanimously.
- E. Approval of Board of Directors Committee Functions
 Gary Goodman proposed to change the wording under "Procedure for Committees" to state "Committee's *may* meet with the General Manager" instead of "Committee's *will* meet with the General Manager" because he stated the committees do not always include the General Manager in their meetings.
Mary Wilson moved to approve the Committee Functions Procedure with an amendment to "Procedure for Committees," by removing the word "will" and replacing with the word "may." Bob Johnson seconded the motion, which the Board approved unanimously.

General Manager's Report

Ms. McKnight presented the Manager's Report including the following information:

- A. Operational Status Report & Water Loss Report
- B. Monthly Financial Reports
- C. Monthly Customer Service Report
- D. Project Status Reports

Action Items

- A. Discussion and possible action regarding request by customer at 241 Landons Way, Account No. 37-4870-01, to address the Board regarding the District's policy for disconnection of service due to non-payment. No action taken.
- B. Discussion and possible action to extend water reservation for 235 LUEs granted through easement acquisition until December 31, 2020 for Mrs. Robert E. Havins.
Gary Goodman moved to provide notice to Mrs. Havins before final capacity in the transmission line near her property is assigned to any third party and to provide this notice for an additional 10 years. Cash Mullen seconded the motion, which the Board approved unanimously.

- C. Discussion and possible action to approve increase to task orders submitted by the Wallace Group as follows:
- a. Addition of \$10,000 to Task Order No. 23 (Requested Miscellaneous Services) for miscellaneous engineering services for a total task order of \$80,000.
Marcus Canipe moved to approve the addition of \$10,000 to Task Order No. 23. Cash Mullen seconded the motion, which the Board approved unanimously.
 - b. Addition of \$13,900 to Task Order No. 25 (North Lake Georgetown WTP) for participation in Board directed Project Committee Meetings for a total task order of \$236,900.
Marcus Canipe moved to approve the addition of \$13,900 to Task Order No. 25. Mary Wilson seconded the motion, which the Board approved unanimously.
- D. Discussion and possible action to approve Resolution No. 10-0819-03 designating District personnel and officers for investments with UVest.
This item was tabled.
- E. Discussion and possible action to approve non-standard service agreement for Westridge Subdivision.
Mary Wilson moved to approve the non-standard service agreement for Westridge Subdivision that includes the provisions to allow a well for irrigation only and to require automatic flushing valves in accordance with District standards. Gary Goodman seconded the motion, which the Board approved unanimously.
- F. Discussion and possible action to approve Resolution No. 10-0819-01 authorizing General Manager, Bookkeeper, and President of the Board access to safe deposit box at Union State Bank.
Bob Johnson moved to approve Resolution No. 10-0819-01. Mary Wilson seconded the motion, which the Board approved unanimously.
- G. Discussion and possible action regarding Inter-local Agreements (ILAs) with Williamson County regarding:
- a. Waterline relocation and encasement as part of Williamson County's Ronald Reagan Phase III Road Project.
This item was tabled.
 - b. Conflicts between County roadway improvements and District easements.
This item was tabled.
- H. Discussion and possible action to approve Resolution No. 10-0819-02 adopting an amended Records Management Policy.
This item was tabled.
- I. Discussion and possible action regarding District purchase of Microsoft Office 2010 licenses for Directors at a cost not to exceed \$300 per license.
Mary Wilson moved to approve the purchase of Microsoft Office 2010 for Directors at a cost not to exceed \$300 each contingent upon those receiving the software signing a statement, prepared by legal counsel, that states the software will be used for public purposes only, that the software will be deleted from their computer upon separation from the District, and that at that time disks will be returned to the District. Gary Goodman seconded the motion, which the Board approved unanimously.

- J. Discussion and possible action regarding proposal from Bury and Partners Engineering for District Pressure Reduction Study.
Marcus Canipe moved to approve the proposal from Bury and Partners for a System Pressure Reduction Study. Mary Wilson seconded the motion, which the Board approved unanimously.
- K. Discussion and possible action to approve First Amendment to the Wholesale Wastewater Agreement from LCRA to Chisholm Trail SUD for Service to Williamson County MUD District Nos. 12 and 19.
Bob Johnson moved to approve the First Amendment to the Wholesale Wastewater Agreement from LCRA. Cash Mullen seconded the motion, which the Board approved unanimously.
- L. Discussion and possible action regarding wastewater lift station operations agreement with the Brazos River Authority.
This item was tabled.
- M. Discussion and possible action regarding engagement of auditor for FYE 2010 Annual Financial Audit.

Nathan Krupke with Belt Harris Pechacek and Anna Swenson with Padgett Stratemann & Company, LLP, gave presentations regarding the auditing services that their individual company could provide to the District.
Mary Wilson made a motion to work with Padgett Stratemann to obtain an extension to their current contract. There was no second to the motion. This item was tabled.
- N. Discussion and possible action to approve Itron Water ERT Module Special Warranty offer.
Mary Wilson moved to approve the Itron Water ERT Module Special Warranty offer contingent upon the offer to include the ability for the District to order ERTs and installation kits on an as-needed basis. Bob Johnson seconded the motion, which the Board approved unanimously.
- O. Discussion and possible action regarding impact fee study.
Cash Mullen moved to postpone an impact fee study during fiscal year 2011. Mary Wilson seconded the motion, which the Board approved unanimously.
- P. Discussion and possible action to approve job descriptions for:
a. Technical Services Manager
This item was tabled for further review by the Personnel Committee.

b. Office Manager/Bookkeeper.
Cash Mullen moved to approve the Personnel Committee's recommended job description and salary range for the position of Office Manager/Bookkeeper. Gary Goodman seconded the motion. Motion failed. (FOR: Mullen, Goodman, and Canipe; AGAINST: Wilson and Johnson).
- Q. Discussion and possible action regarding District and employee contribution share to group health insurance premiums.
This item was tabled.

R. Discussion and possible action regarding proposed FYE 2011 budget.

This item was tabled and will be discussed at a Board workshop.

T. Discussion and possible action regarding format for annual performance evaluation of General Manager and regarding salary adjustment for FYE 2011.

This item was tabled.

VIII. Executive Session

At 10:20 p.m., Mary Wilson announced the Board of Directors would enter into Executive Session pursuant to Section 551.071 of the Texas Open Meetings Act for deliberations with legal counsel.

At 10:48 p.m., Mary Wilson reconvened the public portion of the Board meeting. Ms. Wilson announced that no final action, decision, or vote was taken on any matter during Executive Session.

S. Discussion and possible action regarding Pastor Pump Station Drainage Study.

No action taken.

U. Discussion and possible action items from Board Committee Reports

a. Personnel Committee: Recommendations regarding employee salary increases for FYE 2011, employee and District share for health insurance contributions, job descriptions for Technical Services Manager and Office Manager/Bookkeeper, and General Manager's Annual Performance Evaluation Format.

All Personnel Committee items were addressed during the meeting. No additional report was provided.

b. Finance Committee: Recommendations regarding auditor for FYE 2010 and regarding proposed FYE 2011 budget.

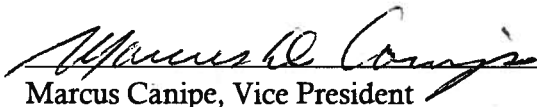
All Finance Committee items were addressed during the meeting. No additional report was provided.

c. Infrastructure Committee: Status report on potential new subdivisions to be served by the District.

Cash Mullen reported that the committee met and reviewed subdivisions that may be under construction in the District during the coming fiscal year. He stated that Westridge Subdivision, Hines Ranch, and Bridlegate are the only new subdivisions that appear to be moving forward in the near future.

Adjournment

The meeting adjourned at 10:50 p.m. on a motion made by Cash Mullen, seconded by Mary Wilson, which the Board approved unanimously.



Marcus Canipe, Vice President