

1. Call to Order

Mr. McDonald called the meeting of the Board of Directors of Cross Timbers Water Supply Corporation to order at 7:02 p.m. on Monday, December 18, 2017, at the Cross Timbers Water Supply Corporation offices, 2032 E Hickory Hill Rd, Argyle, TX 76226.

Directors in Attendance:

Patrick McDonald, President
Larry Kaufman, Vice President
Robert Stegmaier, Secretary-Treasurer
Susan Crawford
Michael Paulson
Garry Granger

Staff in Attendance:

Lloyd Hanson, General Manager
Paul Hightower, Water Superintendent

Consultants in Attendance:

None

Others in Attendance

Brian Crow

Board Members Not in Attendance

None

2. Discussion and Action on a Request for a Catastrophic Water

Brian Crow presented information requesting a re-consideration of the denial of a Catastrophic Water Loss for the months of May and August 2017. After discussion with the Board, motion by Susan Crawford and second by Robert Stegmaier to approve the Catastrophic Water Loss for the months of May and August. Motion approved unanimously.

3. Executive Session - Mr. McDonald announced that the Board would go into Executive Session at 7:14 p.m. and came out of Executive Session at 7:40 p.m.

4. Open Session – No one spoke.

Motion by Michael Paulson and second by Larry Kaufman to approve the items in the Consent Agenda – Agenda Items 5, 6, 8, 9, and 10. Motion Approved unanimously.

5. Discussion and Action to Approve the Minutes of the November 13, 2017 Board Meeting

6. Discussion and Action to Approve the November 2017 Financial Reports

7. See below for specific action

8. Discussion and Action to Approve the Identity Theft Program for 2018

9. Discussion and Action to Appoint the Auditor for the 2017 Financial Audit

10. Discussion and Action to Approve the Update to the Water Facilities Plan 2018-2045

7. Discussion and Action on Renewal of the Healthcare, Dental, and Life Insurance Benefits for 2018

Mr. Hanson presented competitive bids from Aetna and Blue Cross for the healthcare portion of the benefits. Based on coverage offered, Mr. Hanson recommended staying with Blue Cross for the 2018 year. No changes to the Dental and Life Insurance benefit plans were proposed. Motion by Robert Stegmaier and second by Michael Paulson to approve the benefit plans for 2018. Motion approved unanimously.

11. Discussion and Action on Consulting Engineer's Report – No action taken.

12. All Matters Concerning the General Manager's Report

a) **Discussion and Action on the General Manager's Report** – No action taken.

b) **Discussion and Action on the Water Superintendent's Report** – Mr. Hightower provided updates on the repair of the 300,000-gallon water tank at Copper Hill, the installation of the new MCC at Copper Hill, a major leak at Carruth Lane, and other operational issues. No action taken.

13. Discussion and Action on all Matters Concerning the Construction of an Elevated Water Tank at the Stargate Site – No action taken.

14. Discussion and Action on All Matters Concerning Litigation

a) **Discussion and Action on All Matters Concerning Cause No. 2012-30982-211** – No action taken

b) **Discussion and Action on All Matters Concerning Cause CV-2017-00840, Condemnation Action Against Saddlebrook Estates HOA, et al**

Mr. McDonald reviewed the update on the calendar of events regarding the appeal of the Special Commissioners Award. No action taken.

15. Discussion and Action to Accept the Water Lines at Terracina Phase III – No action taken.

16. Discussion and Action on Communication During a Water Outage – Staff was requested to update the notification procedures they plan to employ during a planned or unplanned water outage and advise the Board.

17. Discussion and Action to Appoint a Credentials Committee for the 2018 Annual Meeting

Motion by Robert Stegmaier and second by Susan Crawford to appoint Susan Crawford, Garry Granger, and Paul Hightower to the Credentials Committee for the 2018 Annual Meeting. Motion approved unanimously.

18. Discussion and Action on All Matters Concerning Real Property – No action taken.

19. Discussion and Action on All Matters Concerning Personnel – No action taken.

20. Discussion and Action on Future Agenda Items, Meeting Date, Activities, and Announcements

The next meeting of the Board will be January 15, 2018. Items to include on the January 2018 Agenda include renewal of the Bartonville and Copper Canyon Franchise Agreements for 2018, materials for the upcoming 2018 Annual Meeting, changes to restricted cash account, communication plans, schedule of meetings for 2018, financials, operations, construction, and other matters.

21. Adjournment

Motion to adjourn by Larry Kaufman, second by Susan Crawford, and approved unanimously. The meeting adjourned at 8:43 p.m.

TRANSCRIBED BY LLOYD HANSON

CERTIFIED BY ROBERT STEGMAIER, SECRETARY-TREASURER