

**CROSS TIMBERS WATER SUPPLY CORPORATION  
MINUTES of the BOARD OF DIRECTORS MEETING  
2032 E HICKORY HILL RD, ARGYLE, TX 76226  
MONDAY, FEBRUARY 19, 2018**

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**1. Call to Order**

Mr. McDonald called the meeting of the Board of Directors of Cross Timbers Water Supply Corporation to order at 7:00 p.m. on Monday, February 19, 2018, 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**

None

**Board Members Not in Attendance**

None

**2. Open Session** – No one was in attendance.

**Consent Agenda**

- 3. Discussion and Action to Approve the Minutes of the January 18, 2018 Board Meeting**
- 4. Discussion and Action to Approve the December 2017 and January 2018 Financial Reports**

Motion by Larry Kaufman and second by Michael Paulson to approve the Consent Agenda with a correction on the date of the January Board Meeting minutes from December 18, 2017 to January 15, 2018. Motion approved with Garry Granger abstaining.

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

**6. 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 Cla-Valves on the high service motors, the installation of variable frequency drives at the Jernigan Station and the replacement of the well motor at the Orchid Hill station, and other operational issues. No action taken.

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

**8. Discussion and Action to Approve the Materials for the Annual Meeting Election of Board Members** – No action taken.

**9. Discussion and Action to Appoint an Auditor for the Election at the Annual Meeting**

Motion by Michael Paulson and second by Larry Kaufman to appoint Chellie Eavenson, CPA, as the Election Auditor for the Annual Meeting. Motion approved unanimously.

**10. Discussion and Action on Communications** – This Agenda Item was tabled.

**11. Discussion and Action to Accept the Water Lines at Copper Creek Estates, Phase 1**

Motion by Michael Paulson and second by Susan Crawford to accept the water lines at Copper Creek Estates, Phase 1. Motion approved unanimously. The water lines for Phase 1 are accepted by the Board and a one-year warranty bond from the contractor is in place on the construction of the water lines.

**12. Executive Session: Mr. McDonald announced that the Board would go into Executive Session at 7:45 p.m. and came out of Executive Session at 8:07 p.m.**

**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** - No action taken; awaiting court dates.

**15. Discussion and Action on All Matters Concerning Real Property** – Staff was directed to prepare some plans related to the property we own for the next meeting. No action taken.

**16. Discussion and Action on All Matters Concerning Personnel** - No action taken.

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

The next meeting of the Board will be March 19, 2018. Items may include review of materials for the upcoming 2018 Annual Meeting, acceptance of the Annual Audit, communication plans, financials, operations, construction, litigation, insurance, and other matters.

**18. Adjournment**

Motion to adjourn by Larry Kaufman, second by Garry Granger, and approved unanimously. The meeting adjourned at 8:09 p.m.

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TRANSCRIBED BY LLOYD HANSON

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CERTIFIED BY ROBERT STEGMAIER, SECRETARY-TREASURER