

1. Call to Order

Mr. McDonald called the meeting of the Board of Directors of Cross Timbers Water Supply Corporation to order at 7:03 p.m. on Monday, June 11, 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
Michael Paulson, Secretary-Treasurer
Susan Crawford
Garry Granger
Sherry Price
Andre Nicholas

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 spoke.

Consent Agenda

3. Discussion and Action to Approve the Minutes of the May 14, 2018 Board Meeting

4. Discussion and Action to Approve the May 2018 Financial Reports

Motion by Michael Paulson and second by Andre Nicholas to approve the Consent Agenda. Motion approved unanimously.

Items for individual Consideration

5. Discussion and Action to Update the Board Policies and Rules of Procedure

After review of the document and some minor wording changes, motion by Susan Crawford and second by Michael Paulson to approve the update to the Board Policies and Rules of Procedures. Motion approved unanimously.

6. Discussion and Action on Open Meetings

Mr. Hanson presented a draft letter outlining the position of the Corporation related to the Open Meetings Act, the Public Information Act, and information provided by the Texas Rural Water Association's Legal Counsel. After discussion, Motion to approve the letter by Michael Paulson and second by Garry Granger. The letter is to be signed by the President. Motion approved unanimously.

7. Discussion and Action on Consulting Engineer's Report – No report and no action taken.

8. All Matters Concerning the General Manager's Report

- a) **Discussion and Action on the General Manager's Report** – Mr. Hanson provided an update on UTRWD proposed rates for 2018-19 which would result in an increase in costs of approximately \$44,000. This is a preliminary budget from UTRWD and is subject to change. The Board discussed the Vickery Property development and its impact on the Corporation and its operations. The project is under review by the Town of Copper Canyon at this time. Mr. Hanson reviewed the process for obtaining a Sewer CCN including a possible timeframe and some preliminary costs. Sewer is a preferred solution to wastewater disposal rather than aerobic systems by Denton County and would aid in development within the area. Motion by Larry Kaufman and second by Andre Nicholas to proceed with the steps necessary to obtain a Sewer CCN for the Corporation. Motion approved unanimously.
 - b) **Discussion and Action on the Water Superintendent's Report** – Mr. Hightower provided updates on the repairs at the Copper Hill station and the Jernigan station. Mr. Hightower also reviewed the costs and benefits of a valve exerciser to maintain the 900 plus valves within the system. Motion by Larry Kaufman and second by Andre Nicholas to approve the purchase of a valve exerciser. Motion approved unanimously.
9. **Executive Session: Mr. McDonald announced that the Board would go into Executive Session at 8:26 p.m. and came out of Executive Session at 8:50 p.m.**
10. **Discussion and Action on All Matters Concerning the Construction of an Elevated Water Tank at the Stargate Site** – No action taken.
11. **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; depositions schedules in June.
12. **Discussion and Action on All Matters Concerning Real Property** – No action taken.
13. **Discussion and Action on All Matters Concerning Personnel** - No action taken.
14. **Discussion and Action on Future Agenda Items, Meeting Date, Activities, and Announcements**
- The next meeting of the Board will be July 16, 2018. Items will include litigation, an update on the sewer CCN procedure, financials, operational reports, and other matters.
15. **Adjournment**
- Motion to adjourn by Larry Kaufman, second by Susan Crawford and approved unanimously. The meeting adjourned at 8:52 p.m.

TRANSCRIBED BY LLOYD HANSON

CERTIFIED BY MICHAEL PAULSON, SECRETARY-TREASURER