

**CROSS TIMBERS WATER SUPPLY CORPORATION
MINUTES of the BOARD OF DIRECTORS MEETING
2032 E HICKORY HILL RD, ARGYLE, TX 76226
MONDAY, JULY 15, 2019**

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, July 15, 2019, 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
Garry Granger
Andre Nicholas

Staff in Attendance:

Lloyd Hanson, General Manager
Chad Wolf, Assistant General Manager
Rocky Hatfield, Water Superintendent

Consultants in Attendance:

None

Others in Attendance

None

Board Members Not in Attendance

Susan Crawford
Sherry Price

2. Public Forum for Non-Agenda Items – No one spoke.

Consent Agenda:

3. Discussion and Action to Approve the Minutes of the June 17 and July 2, 2019 Board Meetings

4. Discussion and Action to Approve the June 2019 Financial Reports

Motion by Andre Nicholas and second by Garry Granger to approve the Consent Agenda. Motion approved unanimously.

5. Discussion and Action on the Sewer CCN

Discussions have been held regarding securing sewer treatment capacity in preparation for the application for a Sewer Certificate of Convenience and Necessity (CCN). Staff met with both Flower Mound and the Town of Copper Canyon to discuss assuming the existing agreement or potential changes needed for this application.

6. Discussion and Action on Consulting Engineer's Report

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Mr. Hanson provided a report from Mr. Maroney, Engineer, that he has send easement documents to the Attorney and she is preparing an Opinion of Counsel Relative to Rights-of-Way Certificate to submit to the US Department of Agriculture for their review and approval. Staff have requested an updated easement showing the proposed water line from the US Army Corps of Engineers. We are awaiting the document for signature. No action taken.

7. All Matters Concerning the General Manager's Report

A new Risk Assessment and Emergency Response Plan will need to be prepared in conjunction with the Water Infrastructure Act of 2018. Our report is due in 2021 and should be able to be prepared with some assistance from the Engineer. No action taken.

An emergency siren will be installed on our Shiloh property sometime in early 2020.

The Board reviewed an analysis of the UTRWD Demand Fee and the water rates over the past 13 years. The Board requested Staff prepare a letter to the Towns in our CCN on the results.

The Assistant General Manager and the Water Superintendent reported on operational activities currently underway in the territory. Water use continues to be well below normal for June.

8. Executive Session: Mr. McDonald announced that the Board would go into Executive Session at 7:42 p.m. and came out of Executive Session at 7:55 p.m.

9. Discussion and Action on All Matters Concerning the Construction of an Elevated Water Tank at the Stargate Site – Our Building Permit has been renewed for another six months. No action taken.

10. Discussion and Action on All Matters Concerning Litigation

- a) **Discussion and Action on All Matters Concerning Cause No. 2012-30982-211** – Nothing new to report. No action taken.
- b) **Discussion and Action on All Matters Concerning Cause CV-2017-00840, Condemnation Action Against Saddlebrook Estates HOA, et al** – The condemnation was settled in favor of the Corporation. The Corporation is expecting that the Condemnation judgment against the Condemnees will be appealed. No action taken.
- c) **Update on Proposed Mediation** – The Corporation is awaiting details from the opposing parties on possible mediation on the items in litigation. No action taken.

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

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

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

The next meeting of the Board will be August 12, 2019 . Items may include financials, litigation, sewer status, construction, an update on any DRC actions, and such other matters as may come before the Board.

14. Adjournment

Motion to adjourn by Michael Paulson and second by Andre Nicholas and approved unanimously. The meeting adjourned at 7:59 p.m.

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TRANSCRIBED BY LLOYD HANSON

CERTIFIED BY MICHAEL PAULSON, SECRETARY-TREASURER