

**CROSS TIMBERS WATER SUPPLY CORPORATION  
MINUTES of the BOARD OF DIRECTORS MEETING  
2032 E HICKORY HILL RD, ARGYLE, TX 76226  
MONDAY, MAY 18, 2020**

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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, May 18, 2020, 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  
Andre Nicholas  
Sherry Price

**Staff in Attendance:**

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

**Consultants in Attendance:**

None

**Others in Attendance**

None

**Board Members Not in Attendance**

None

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

**Consent Agenda:**

**3. Discussion and Action to Approve the Minutes of the April 20 and May 8, 2020 Board Meetings**

**4. Discussion and Action to Approve the April 2020 Financial Reports**

Motion by Larry Kaufman and second by Michael Paulson to approve the Consent Agenda. Motion approved with a change to the April 20, 2020 minutes to show that Susan Crawford attended by phone.

**5. Discussion and Action to Approve the Form 990 Tax Return for the Corporation**

Motion by Michael Paulson and second by Susan Crawford to approve the Corporation's Form 990 Tax Return for 2019. Motion approved unanimously.,

**6. Discussion and Action to Approve the Equity Buy-In for 2020**

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Staff presented the calculations for 2020 Equity Buy-In along with a history of the Buy-In pricing since 2001. Motion by Michael Paulson and second by Sherry Price to approve a reduction in the Equity Buy-In as recommended by the Staff. Motion withdrawn. Motion by Larry Kaufman and second by Andre Nicholas to keep the Equity Buy-In at the same rate for 2020. Motion approved unanimously.

**7. Discussion and Action on the 2020 Budget Update**

Staff reviewed the current status of the 2020 Budget and the projected changes due to the slowdown of construction in the area. The biggest change will be in the Equity Buy-In funds received. After discussion, the Board determined not to change the Budget for 2020. Staff were directed to include any variances in the reports that occur as a result of the reduced construction in the area. No action taken.

**8. Discussion and Action on the Chinn Chapel Construction Project**

Kerry Maroney, Engineer, has advertised for bids on the construction of the water line replacement on Chinn Chapel Road, Mobile Drive, and Blackjack Lane. Bids are to be received by June 9, 2020 and bid openings will occur at 1:30 p.m. on that date. No action taken.

**9. Discussion and Action on the Construction of the Elevated Water Tank**

The General Manager provided updates on the progress of contracts and construction activities for the elevated water tank and the timing of that work. The Board discussed the contracts, the pricing, and the coordination of the work among the various contractors chosen for the completion of the tank. Motion by Susan Crawford and second by Sherry Price to approve \$237,775 plus licensing and bonding for the completion of the elevated water tank. Motion approved unanimously.

The Board also reviewed a discussion held in a special meeting of the Town of Bartonville related to the color of the tank and a logo. A further meeting is scheduled for May 19, 2020 with an agenda item - Discuss and consider approval of the exterior color scheme, lettering and graphics of the Cross Timbers Water Supply Corporation's elevated water tower located at 1250 I.T. Neely Road, Bartonville, TX, in accordance with Section G. of the Conditional Use Permit (Ordinance No. 570-14). President McDonald and General Manager Wolf were directed to attend. Motion by Sherry Price to allow the Town of Bartonville to put their name and/or logo on the elevated tank and contribute \$2,500 toward that cost. The motion died due to the lack of a second. Motion by Larry Kaufman to allow the Town of Bartonville to place their name/logo on the tank as long as it does not delay the construction and contribute no funds toward that cost. Motion died for lack of a second. Motion by Sherry Price and second by Susan Crawford that Cross Timbers Water Supply Corp agrees that the Town of Bartonville may add graphics (letters and/or a logo) to the Cross Timbers Water Supply Corporation's elevated water tank which is located in Bartonville. Any graphics or lettering must be a logo, design, lettering or motto (hereafter referred to as signage) in general current public use by the Town of Bartonville. The entire expense of this signage will be the responsibility of the Town of Bartonville. The Town of Bartonville will be responsible for all phases of the signage project including but not limited to selection of graphic medium, project management, and selection and management of signage application. Under no circumstances will the signage project interfere with the completion, raising, and other construction activity of the elevated tank. The elevated tank is scheduled to be raised to its final height on May 27, 2020, and the signage project must be completed prior to that date if the signage is to be completed while the tank is in its current lowered position. The Town has the option to commence and complete the signage project after the tank has been raised and construction complete. Cross Timbers Water Supply Corporation will donate one thousand dollars (\$1,000.00) to the signage project with said amount being payable to the Town of Bartonville upon completion of the signage. Motion approved with Sherry Price, Garry Granger, Susan Crawford and Michael Paulson voting Aye, Andre Nicholas Abstaining, and Larry Kaufman voting No.

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**10. All Matters Concerning the General Manager's Report**

The General Manager's report was reviewed with no discussion. No action taken.

**11. Discussion and Action on the Water Superintendent's Report**

The Water Superintendent provided updates on operations in the area as well as details on connecting the new elevated water tank to the distribution system when it becomes operational.

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

The next meeting of the Board will be June 15, 2020. Items will include construction, financials, approval of the Chin Chapel Water Line contract, a water loss report for the past 2-3 years, an update on the impact of the new water tower on our existing operations, an estimate of SCADA costs for connecting the elevated water tank to the existing system, and other items.

**13. Adjournment**

Motion to adjourn by Larry Kaufman and second by Garry Granger and approved unanimously. The meeting adjourned at 8:32 p.m.

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TRANSCRIBED BY LLOYD HANSON

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CERTIFIED BY MICHAEL PAULSON, SECRETARY-TREASURER