

CROSS TIMBERS WATER SUPPLY CORPORATION
MINUTES of the BOARD OF DIRECTORS MEETING
2032 E HICKORY HILL RD, ARGYLE, TX 76226
MONDAY, MARCH 11, 2024

1. Call to Order

Mr. McDonald called the March meeting of the Board of Directors of Cross Timbers Water Supply Corporation to order at 7:01 p.m. on Monday, March 11, 2024, at the Cross Timbers Water Supply Corporation's offices, 2032 E Hickory Hill Rd, Argyle, TX 76226.

Directors in Attendance:

Patrick McDonald, President
Garry Granger, Vice President
Andre Nicholas
Richard Beutter
Michael Kuehler

Staff in Attendance:

Chad Wolf, General Manager
Pradip Patel, Controller
Karen Lambert, Billing Coordinator

Consultants in Attendance:

Dan Tonn, Auditor
Brett Cheatham, AIA Insurance agent

Others in Attendance

None

Board Members Not in Attendance

Michael Paulson, Secretary-Treasurer
Sherry Price

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

Consent Agenda

3. Discussion and Action to Approve the Minutes of February 19, 2024, Board Meeting

4. Discussion and Action to Approve the February 2024 Financial Report

Motion by Andre Nicholas and second by Richard Beutter to approve the Consent Agenda. Motion approved unanimously.

5. Discussion and Action on the 2023 Financial Audit update

Dan Tonn of the firm Hankins, Eastup, Deaton, Tonn & Seay presented the results of the 2023 annual audit and answered questions from the Board. Motion by Garry Granger and second by Andre Nicholas to approve the 2023 Financial Audit update. Motion approved unanimously.

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6. Discussion and Action on the Insurance Renewal Proposal

Mr. Brett Cheatham provided the Board with the upcoming insurance renewal pricing and terms and conditions. He will be obtaining an additional bid and presenting the information at the April Board meeting before the decision is finalized. No action needed.

7. Discussion and Action on the comparison of CTWS vs surrounding areas base fees

Mr. Patel discussed with the Board the comparison of CTWS base fees versus the surrounding areas. He recommended the base fee be increased by 4% - 5% to compete with other areas. The Board discussed this, with Patrick McDonald stating that he's not sure if it would be worth it to raise the base fee, but rather there should be further discussion on restructuring the upper tier levels, with a higher cost for the larger water usage tiers. No action taken.

8. Discussion and Action on the General Manager's Report

Mr. Wolf detailed for the Board the budget recommendations from Kerry Maroney for the Orchid Hill well improvements. He requested the Board make a decision so the improvements can commence. He also let the Board know that Phase 1 of the SCADA hardware production has been completed, with the next step being the configuration of the viewing screens and he has involved the staff in building what they'd like to see. Mr. Wolf additionally discussed with the Board the current CDC COVID protocols, with it being their recommendation that people isolate until they are fever free for one day. Mr. Wolf proposed to the Board that they remove the COVID-positive time off allowance and return to standard time off. Motion by Garry Granger and second by Andre Nicolas to approve a budget of up to \$50,000 to begin the preliminary engineering and geological work for the Orchid Hill well improvements. Motion approved unanimously.

9. Discussion and Action on Items for the Annual Meeting

Mr. Patel let the Board know that they had not received applications for the three open Board positions other than from the three incumbents running for reelection. He asked the Board to approve the Letter to the Membership and agenda for the 2023 Annual Meeting and inquired if they would like to continue doing the water raffle give away. The Board stated they would like to keep the raffle the same as it was last year. Motion by Richard Beutter and second by Garry Granger to approve the Unopposed Candidates for reelection.

10. Discussion and Action on Communications

Mr. Granger let the board know he will be submitting to the Cross Timbers Gazette information reminding our members that the Backflow Test is an annual test and members will begin to receive their notices to have their devices retested. No action needed.

11. Discussion and Action on Future Agenda Items, Meeting Date, Activities and Announcement

The Annual Meeting will be April 15th starting at 7:30 pm and the Board meeting will follow afterwards. The agenda will include such items as the Insurance Renewal, Election of New Officers, and such other items as may be required.

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12. Adjournment

Motion to adjourn by Garry Granger and second by Andre Nicholas and approved unanimously. The meeting was adjourned at 8:09p.m.

TRANSCRIBED BY Karen Lambert, Billing Coordinator

CERTIFIED BY Michael Paulson, Secretary-Treasurer